

Draft Budget of Fetakgomo Local Municipality



2015/2016-2017/18

Medium Term Revenue Expenditure Forecasts

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ACRONYMS AND TABLES

MFMA	Municipal Finance Management Act 56 of 2003
MSA	Municipal Systems Act 32 of 2000
MPRA	Municipal Property Rates Act 6 of 2004
MIG	Municipal Infrastructure Grant
LGSETA	Local Government Sector Education Training Authority
CoGHSTA	Department of Cooperative Governance Human Settlement and Traditional Affairs
COGTA	Department of Cooperative Governance and Traditional Affairs
MTREF	Medium Term Revenue Expenditure Framework
LED	Local Economic Development
MMBRR	Municipal Monitoring and Budgeting Reporting Regulation
EPWP	Expanded Public Works Programme
VAT	Valued Added Tax
CPI	Consumer Price Index
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Municipal Manager's Quality certification

I, ***Nkwane Danger Matumane***, the Municipal Manager of Fetakgomo Local Municipality, hereby certify that the budget has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act and that it is consistent with the Integrated Development Plan

Print name: _____

Municipal Manager of Fetakgomo Local Municipality

Signature : _____

Date : _____

1.3 Council Resolutions

The following draft budget resolutions are presented to Fetakgomo Local Municipality council for approval;

- 1.3.1 The draft budget summary in tables A1*
- 1.3.2 Draft budget per standard classification in table A2*
- 1.3.3 Draft budget per municipal vote table A3*
- 1.3.4 Draft budget per financial performance contained in A4*
- 1.3.5 Draft budgeted capital expenditure in tables A5*
- 1.3.6 Draft budgeted financial position in table A6*
- 1.3.7 Draft budgeted cash flow in table A7*
- 1.3.8 Draft cash backed reserves in table A8*
- 1.3.9 Draft performance measurements in table....*
- 1.3.10 Draft Tariffs in table*
- 1.3.11 Draft budget tables supporting the budget from page....*
- 1.3.12 Draft budget policies which are;*

- a) Supply chain management policy*
- b) Asset management policy*
- c) Bad debts write off policy*
- d) The credit control and debt collection policy.*
- e) budget management policy and virement policy*
- f) Cash management and investment policy*
- g) Tariff policy*
- h) Indigent management policy*
- i) Property rates policy*

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1.4 EXECUTIVE SUMMARY

This year budget coincides with the twenty year celebration of our young and vibrant democracy and conclusion of yet another peaceful, free and fair election. Our democracy is maturing, so is the system of local government broadly and Fetakgomo Municipality in particular.

In her foreword, the Mayor correctly states that “All South Africans must have reasons to celebrate the successful conclusion of our second decade of freedom and democratic rule. Blacks in general and the African majority in particular must celebrate because our hard won freedom has restored back to us our humanity. After many centuries of oppression and exploitation we are now equal citizens in the land of our birth”. This is indeed true for people of Fetakgomo whom are witnesses of development in action.

Today we can say without fear of contradiction that Fetakgomo is better place to live in than it was twenty years ago. Indeed we have a good story to tell. This includes the fact that all residents of Fetakgomo have access to electricity; that about 34 per cent have water inside their dwellings and 74 per cent have water within a 200 meter radius; that almost 80 per cent of the main roads are tarred; that refuse is being collected in at least 32 per cent of the households. We have many more stories to tell.

Fetakgomo local municipality has in preparation and compilation of this budget complied with the Municipal Budgeting and Reporting Regulation (MBRR) notice no 31804 of 2009, the provisions of the MFMA, the provisions of the MSA and various budget circulars which guide the process, content and the format of municipal budgets. The budget provides comparative financial over a seven year period horizon commencing in the 2011/2012 budget year to 2017/18 budget year.

The budget document must be read together with the Integrated Development Plan (IDP) and the Service Delivery and Budget Implementation Plan (SDBIP) to gain a full understanding of its intentions.

The municipality will focus on national priorities as guided by National Treasury. These include accelerated public infrastructure development, upgrading of informal settlement, the implementation of steps to professionalise the public service, overhaul procurement and supply chain management, and broadening the strengthening of industrial development. Furthermore, the municipality will implement programmes identified in the National Development Plan (NDP). The NDP creates a framework to accelerate economic growth, eliminate poverty and reduce inequality. The budget policy framework for the next three years reflects greater alignment with the plan, as spending programmes begin to address economic constraints and the need for greater state efficiency. The NDP identifies a number of micro enterprises (SMES's), entrepreneurs and business start-ups, a greater and more sustainable economy, support for local production and employment through government procurement and broadening and strengthening industrial development.

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The municipality has taken these projections into account in preparing this budget. We become more conservative in our revenue collection rates while expecting the community to demand more assistance from the Municipality.

OVERVIEW OF THE 2015 BUDGET

The 2015 budget review notes that the global economic outlook has weakened and the pattern of slow growth is likely to persist, with consequences for all developing economies. The minister of Finances tabling his budget has revised the gross domestic product (GDP) forecast for 2015 downward. He projected growth to 2 per cent in 2015 rising to 3 per cent by 2017. He further lamented that inadequate electricity supply will impose serious constraint on the outputs and exports over the short term.

This budget recognises the statements indicated above and expect the local economy to be under strain.

The budget is boosted by a substantial increase in national equitable shares of 30.7 per cent alleviating budget pressures that persisted.

The municipal revenues have grown substantially over the years so has investments in public infrastructure. The costs of maintaining the infrastructure is growing exponentially while revenue generation continues to lack behind. This budget increases investment in revenue generating infrastructure such as municipal cemeteries, acquisition of fleet for waste management and public facilities such as sports facilities and recreational parks.

More focus will be put into revenue collection to sustain the trading services and maintenance services.

1.4.1 OPERATING BUDGET FRAMEWORK

Fetakgomo local municipality has in preparation and compilation of this budget compiled with the Municipal Budgeting and Reporting Regulation (MBRR) notice no 31804 of 2009, the provisions of the MFMA, the provisions of the MSA and various budget circulars which guide the process, content and the format of municipal budgets. The budget provides comparative financial over a seven year period horizon commencing in the 2011/2012 budget year to 2017/18 budget year.

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The following assumptions were used in compiling the budget;

- Consumer price inflation forecast is at 4,8 per cent increasing to 5,9 and 5,6 over the MTREF.
- Salaries bill to grow by 6 per cent annually.
- Surplus cash is invested in capital expenditure programme in 2015 reducing over the MTREF.
- The operating budget deficit of R6 million is funded by cash refunds for VAT which are regarded as own resources in terms of the budget circular.
- That 93 per cent of the budgeted revenue will be realised.
- 17.4 per cent of the budget is provision for debt and depreciation.
- Ensure that the municipality avoids excessive borrowings as the municipality will not be able to service the debt due to the dependence on grant revenue;
- Ensure that the municipality maintains sufficient reserves for rainy days and capital expansion.
- Ensure that the budget respond to priorities enlisted in the IDP.
- Review of all programmes and cost centres to minimise wastage, maximise efficient and accelerate service delivery;
- Reprioritisation of expenditure programmes to curb the growing personnel expenditure.
- Ensure that services are cost reflective, affordable and sustainable.
- Ensure that realistic revenue targets are set to ensure that the funded is funded.
- Follow the national guide on salary and CPI projections.
- Provide realistic income and expenditure based on budget trends.

Table 1: Consolidated Overview

Description	Adjusted Budget 2014/15 Budget year (million)	Proposed Budget 2014/15 (million)	Budget Estimate 2015/16 (million)	Budget Estimate 2015/17 (million)
Total Revenue (excluding capital receipts)	90 846	106 197	110,809	114,289
Capital expenditure	20 352	21 004	21 706	22757
Total Receipts	111 198	127 201	132 515	137 046
Operating Expenditure	91 820	96 503	99 210	105 790
Operating Surplus/ (Deficit)	19 378	30 698	33 305	31 256
Capital expenditure	34 335	35 921	38 266	31 766
Internally generated funds	14 957	5 223	4 961	1 510

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The total appropriated budget is R 132,4 million in 2015/16 increasing to R 137,4 and R 137,5 million in 2016/17 and 2017/18 budget years respectively. The budget increases by 8, 82 per cent in real terms over the MTREF.

Operating expenditure amounts to R 96.5 million for 2015/16 budget increasing to R 99, 2 and R 105, 9 million in 2016/17 and 2017/18 respectively.

Capital budget amounts to R35.9, R38, 2 and R31,7 million in 2015/16, 2016/17 and 2017/18 respectively.

Operating budget has an operating surplus of R8.8 million in 2015/16 increasing to surplus of R11,6 million in 2016/17 decreasing to R8,4 million in 2017/18.

The capital budget will be funded from National grant transfers (MIG of R21,4 million) and operating surplus of R8,8 and cash reserves of R6,025 million

The budget has benefited from the revised equitable share which is biased to rural municipalities. The municipality's operating costs however continues to rise exponentially as the municipality is engaging in expansion projects intended on rendering services needed by the community. The municipality will guard against this rising operating expenditure while improving revenue collection measures.

The municipality will use an increased equitable share allocation is for the municipality to expand the net of poor households who deserve free basic services to benefit.

Equitable share has increases by R 19 million from R 63.6 million in 2014/15 to R83.3 in 2014/15, which is 27 per cent.

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Table 2: Percentage revenue growth over the MTREF

	Ref	Current Year 2012/13		Change	2013/14 Medium Term Revenue & Expenditure Framework				
R thousand	1	Original Budget	Adjusted Budget	Change %	Budget Year 2013/14	Change %	Budget Year +1 2014/15	Change %	Budget Year +2 2015/16
Revenue By Source									
Property rates	2	9,000	9,000	(14)	7,720	4	8,029	5	8,430
Property rates - penalties & collection charges		22	22	1,749	416	-	416	-	416
Service charges - refuse revenue	2	3,420	3,420	19	4,082	-	4,082	0	4,094
Service charges - other		187	267	(23)	206	4	214	4	224
Rental of facilities and equipment		271	271	1	273	7	292	7	312
Interest earned - external investments		1,550	1,550	(20)	1,239	0	1,244	4	1,291
Interest earned - outstanding debtors		74	74	6	79	7	84	7	90
Fines		550	550	9	600	7	642	7	687
Licences and permits		2,000	2,000	13	2,250	7	2,408	7	2,576
Agency services		550	383	(10)	346	(8)	319	4	332
Transfers recognised - operational		68,362	69,273	27	88,095	0	88,375	(2)	86,814
Other revenue	2	4,005	4,035	(98)	90	3	92	4	96
Total Revenue (excluding capital transfers and contributions)		89,992	90,846		105,395		106,197		105,361
				16		1		(1)	

Revenue budget will grow by 16 per cent in 2015/16 and 20 per cent in 2015 growing by a further 1 per cent in 2017 before reducing by 1 per cent in 2018.

Budgeted revenue for own funds is reduced by 98 per cent or R3, 9 million which was for VAT. This item is removed as it does not constitute revenue item but a cash flow item. VAT refunds are budget to amount to more than R 6 million and will fund the budget deficit. Grants increases by 27 per cent or R19, 8 million. Other changes are minor in real terms though significant in per cent ages.

Bad debts and depreciation provision has been provided for at 17 per cent of the operating budget or R11,3 million representing a major budget item.

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1.4.2. OPERATING REVENUE FRAMEWORK

The municipality revenue generating capacity has not grown substantially over the years. In 2012/13 financial year, own revenue was R3,4 million which was 5,6 per cent of the budgeted revenue. This increased to R4.8 million in 2013/14 or 5.3 per cent while it is projected to be remain at the slightly lower to R4,7 or 5 per cent in 2015/16.

Efforts to collect billed revenue from property rates and refuse removal services have yielded minimal progress. On property rates, the bulk of which is owed by government has been disputed by government departments ducking on their responsibility. Beside various debt forums, very little has been forth coming.

Residents are not paying for refuse despite the municipality continuing efforts to collect refuse citing challenges of lack of water as some of the reason for not paying for the service.

The municipality's revenue strategy is built around the following key components;

- National treasury's key guidelines and macroeconomic policy;
- Growth in the municipality's continued economic development
- Efficient revenue management, which aims to ensure that billed revenue is collected
- Achievement of full cost recovery of specific user charges especially in relation to trading services;
- Determining the tariff escalation rate by calculating the revenue requirement of each service;
- The municipality's property rates policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004)(MPRA)
- The municipality's indigent policy and rendering of free basic services; and
- Tariff policies of the municipality

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Table 3: Consolidated Revenue Overview

LIM474 Fetakgomo - Table A4 Budgeted Financial Performance (revenue and expenditure)

ENR 14 Budgeted Financial Performance (revenue and expenditure)											
Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand	1										
Revenue By Source											
Property rates	2	900	4,313	7,686	9,000	9,000	9,000	-	7,720	8,029	8,430
Property rates - penalties & collection charges		20	113	317	22	22	22	-	416	416	416
Service charges - electricity revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	1,800	2,341	3,885	3,420	3,420	3,420	-	4,082	4,082	4,094
Service charges - other		110	56	233	187	267	267	-	206	214	224
Rental of facilities and equipment		340	228	165	271	271	271	-	273	292	312
Interest earned - external investments		800	677	1,191	1,550	1,550	1,550	-	1,239	1,244	1,291
Interest earned - outstanding debtors		60	-	-	74	74	74	-	79	84	90
Dividends received								-			
Fines		100	-	1,129	550	550	550	-	600	642	687
Licences and permits		1,200	1,722	1,766	2,000	2,000	2,000	-	2,250	2,408	2,576
Agency services		600	254	321	550	383	383	-	346	319	332
Transfers recognised - operational		43,672	50,693	57,486	68,362	69,273	69,273	-	88,095	88,375	86,814
Other revenue	2	3,206	155	101	4,005	4,035	4,035	-	90	92	96
Gains on disposal of PPE											
Total Revenue (excluding capital transfers and contributions)		52,808	60,553	74,279	89,992	90,846	90,846	-	105,395	106,197	105,361

Property rates

Property rates collections is estimated at 5 per cent and a provision of 98 per cent has been made for bad debt. This is based on the trend for the last four years.

The projected billing has also taken into account the collection trends and revenue forgone over the past three years.

Traffic function

This service is expected to be fully functional in the budget year although revenue projections have been projected pessimistically as the project suffered many delays in the past. The budgeted revenue amount for this item is R 2,250 million for 2015/16.

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Grant funding

Revenues from the government grants; equitable share, Municipal Finance Management Grant (FMG), Municipal Systems Improvement Grant (MSIG) and EPWP incentive Grant are reliable and constitute more than **82 per cent** of the budgeted revenue. This means only less than 18 per cent of the revenue may fluctuate giving the municipality certainty on its expenditures and better planning.

Other Revenue

National treasury has indicated that VAT refunds from grant expenditure should be treated as own revenue but not a revenue source. This made the budget for other revenue to reduce substantially based on reclassification of VAT refunds. The refunds are not a revenue source but rather a cash item which finance operations.

A VAT refund contributes substantial cash flows to the municipality and is expected that of the total expenditure of R132, 424 million at least **R 6 million** will be VAT refunds.

Tariffs

Municipal tariffs will increase by an average of 6 per cent which is below inflation target. Refuse removal for households increases by R3. 29 to R57, 29 accross the board.

The use of community hall increases by R92 to R 400 while the civic hall tariff increases by R36 to R672.

Property rates tariffs remain unchanged.

New tariffs include the hiring of traffic services for Escort which will cost R300 per day and the loss of docket for R100.

See the table below for full list of tariffs;

Table 3 Tariffs for 2015/16 budget year

NO	NATURE OF SERVICE	DESCRIPTION	FREQUENCY	ACTUAL OUTCOME 2011/2012	ACTUAL OUTCOME 2011/2013	ACTUAL OUTCOME 2013/2014	CURRENT YEAR 2014/2015	PROPOSED TARIFFS 2015/2016	PROJECTED TARIFFS 2016/2017	PROJECTED TARIFFS 2017/2018
1	General service for residential sites	All households with refuse removal	Per month	25.00	30.00	30.00	50.60	54	57	62
		Refuse bin	Once off					120	120	120
2	General service for business sites and government departments	Bulk container once a week	Per month	1,600.00	1,650.00	4,600.00	5,000.00	5,200	5,585	6,156
		Wheelie bin once a week	Per month	40.00	50.00	200.00	240.00	80	84	90
	Extra ordinary refuse	Municipal delivery								
		a) Garden	Per load	600.00	650.00	650.00	770.00	816	873	943
		b) Building	Per load	800.00	850.00	850.00	870.00	922	987	1,066
		Own delivery-Garden	Per load(tons)		300.00	300.00	330.00	350	374	404
		- Building	Per load (tons)		400.00	400.00	430.00	456	488	527
		-Rubble	For free		-	-	-		-	-
		Removal of animal carcasses	Per request			Free	-	60	62	65
		Removal of condemned foodstuffs per load of one ton or more	Per request	N/A	N/A	120.00	160.00	60	62	65
		Removal of compactable bulky waste per 6m3(skip container)	Per collection	N/A	N/A	300.00	330.00	350	374	404
		Removal of non-compactable bulky waste per 6m3(skip container)	Per collection	N/A	N/A	400.00	430.00	456	488	527
	Ordinary Refuse	Own delivery								
		a) Per light delivery van or trailer load exceeding one ton					110.00	117	125	135
		b) Per load not exceeding three tons					200.00	212	227	245
		c) Per load not exceeding six ton but exceeding three ton					530.00	562	601	649

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		d) Per load not exceeding ten ton but exceeding six ton					730.00	774	828	894
		e) Per load exceeding ten ton					950.00	1,007	1,077	1,164
		f) Rubble-builders rubble is for free because it can be utilised for landfill maintenance and for wet weathercell during rainy season					-	-	-	-
3	Sale of sites									
		Business sites								
		CBD area (Prime)	Per square meter	100.00	100.00	100.00	130.00	10	11	12
		Proclaimed area	Per square meter	40.00	45.00	45.00	60.00	10	11	12
		Proclaimed fully serviced area	Per square meter	30.00	35.00	35.00	50.00	13	14	15
		Semi/ not serviced	Per square meter	5.00	7.00	7.00	14.00	10	11	12
4	Land use/ Permission to occupy								-	-
		Residential site	Per application	10.00	20.00	20.00	25.00	27	28	31
		Church site	Per application	75.00	80.00	80.00	100.00	53	57	61
		Tarven/ Shebeen	Per application	40.00	45.00	45.00	50.00	53	57	61
		Bottle store	Per application	150.00	155.00	155.00	160.00	60	65	75
		Institutional site	Per application	135.00	140.00	140.00	145.00	100	110	120
		Motor mechanic/ Scrap yard	Per application	100.00	110.00	110.00	115.00	60	62	65
		Driving School	Per application	110.00	120.00	120.00	125.00	60	62	65
		Car Wash	Per application	60.00	70.00	70.00	75.00	60	62	65
		Filling station	Per application	145.00	150.00	150.00	155.00	60	62	65

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		<i>Guest house</i>	<i>Per application</i>	<i>125.00</i>	<i>130.00</i>	<i>130.00</i>	<i>135.00</i>	<i>143</i>	<i>153</i>	<i>165</i>
		<i>General dealer</i>	<i>Per application</i>	<i>95.00</i>	<i>100.00</i>	<i>100.00</i>	<i>105.00</i>	<i>111</i>	<i>119</i>	<i>129</i>
		<i>Bakery</i>	<i>Per application</i>	<i>80.00</i>	<i>85.00</i>	<i>85.00</i>	<i>90.00</i>	<i>60</i>	<i>62</i>	<i>65</i>
		<i>Butchery</i>	<i>Per application</i>	<i>100.00</i>	<i>110.00</i>	<i>110.00</i>	<i>115.00</i>	<i>60</i>	<i>62</i>	<i>65</i>
		<i>Shoping center</i>	<i>Per application</i>	<i>200.00</i>	<i>220.00</i>	<i>220.00</i>	<i>225.00</i>	<i>60</i>	<i>62</i>	<i>65</i>
		<i>Tuckshop</i>	<i>Per application</i>	<i>80.00</i>	<i>85.00</i>	<i>85.00</i>	<i>90.00</i>	<i>60</i>	<i>62</i>	<i>65</i>
		<i>Manufacturing industry</i>	<i>Per application</i>	<i>300.00</i>	<i>350.00</i>	<i>350.00</i>	<i>330.00</i>	<i>60</i>	<i>62</i>	<i>65</i>
		<i>Mortuary</i>	<i>Per application</i>	<i>115.00</i>	<i>120.00</i>	<i>120.00</i>	<i>125.00</i>	<i>60</i>	<i>62</i>	<i>65</i>
		<i>Recreational and other facilities</i>	<i>Per application</i>	<i>80.00</i>	<i>85.00</i>	<i>85.00</i>	<i>90.00</i>	<i>60</i>	<i>62</i>	<i>65</i>
		<i>Salon/ dress making</i>	<i>Per application</i>	<i>70.00</i>	<i>80.00</i>	<i>80.00</i>	<i>85.00</i>	<i>60</i>	<i>62</i>	<i>65</i>
		<i>Farm/ Orchard site</i>	<i>Per application</i>	<i>95.00</i>	<i>100.00</i>	<i>100.00</i>	<i>105.00</i>	<i>60</i>	<i>62</i>	<i>65</i>
5	Building plans									
		<i>Approval of building plans</i>	<i>Per square meter</i>	<i>2.50</i>	<i>3.00</i>	<i>3.00</i>	<i>35.00</i>	<i>37</i>	<i>40</i>	<i>43</i>
		<i>Inspection</i>	<i>Per building</i>	<i>110.00</i>	<i>120.00</i>	<i>120.00</i>	<i>125.00</i>	<i>133</i>	<i>142</i>	<i>153</i>
6	Hiring of council facilities									
	Community halls									
		<i>Private individuals</i>	<i>Day use</i>	<i>300.00</i>	<i>200.00</i>	<i>300.00</i>	<i>350.00</i>	<i>350</i>	<i>400</i>	<i>410</i>
		<i>Private individuals.</i>	<i>Night use</i>	<i>300.00</i>	<i>200.00</i>	<i>450.00</i>	<i>500.00</i>	<i>350</i>	<i>400</i>	<i>410</i>
		<i>Churches, NPO's, political organisations, unions, clubs and other cultural and sporting organisations</i>	<i>Day use</i>	<i>300.00</i>	<i>200.00</i>	<i>300.00</i>	<i>350.00</i>	<i>400</i>	<i>420</i>	<i>430</i>

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FETAKGOMO LOCAL MUNICIPALITY

	Churches, NPO's, political organisations, unions, clubs and other cultural and sporting organisations	night use	300.00	200.00	300.00	350.00	400	420	430
	Hiring by government & business	Day use	350.00	350.00	350.00	400.00	400	420	430
	Hiring by government & business	Night use	350.00	350.00	500.00	550.00	400	420	430
	The use of kitchen and equipments	Per request	250.00	100.00	100.00	150.00	160	171	185
	Deposit refundable	Per request	100.00	100.00	100.00	150.00	200	220	230
Civic hall									
	Private individuals	Day use				600.00	650	700	750
	Private individuals	Night use				600.00	650	700	750
	Churches, NPO's, political organisations, unions, clubs and other cultural and sporting organisations	Day use	800.00	600.00	600.00	600.00	650	700	750
	Churches, NPO's, political organisations, unions, clubs and other cultural and sporting organisations	Night use	2,000.00	1,300.00	1,300.00	1,400.00	650	700	750
	Hiring by government & business	Day use	800.00	800.00	800.00	900.00	700	750	800
	Hiring by government & business	Night use	2,000.00	1,600.00	1,600.00	1,700.00	700	750	800
	The use of kitchen	Per request	250.00	250.00	250.00	300.00	250	268	289
	Deposit refundable	Cleared in five days	350.00	350.00	350.00	400.00	300	321	347
	N.B Activities with profit motive are forbidden								
Boardroom per day								-	-
	For use by organized business, labour, political organisations, government	Day use	250.00	200.00	100.00	150.00	150	170	184

FETAKGOMO LOCAL MUNICIPALITY

		Deposit refundable		200.00						
		Deposit refundable		100.00						
	Parking									
		Parking under shade	Per month	25.00	40.00	40.00	45.00	48	51	55
		Parking in an open area	Per month	25.00	20.00	25.00	30.00	32	34	37
	Recreational facilities							-	-	-
		Multi-purpose club	Per person	N/A	5.00	2.50	3.00	3	3	4
		Municipal pool	Per person	N/A	2.50	2.50	3.00	3	3	4
	Schools, NGO's, Departments, Clubs	Sports facility	Per day	N/A	250.00	300.00	350.00	150	397	429
		Tuck shop	Per day							
	Grader	Hiring of Grader	Per hour	N/A	350.00	700.00	850.00	860	964	1,041
7	Leasing of municipal property								-	-
		Fetakgomo Atok Thusong Service Center	Per square meter per month including	50.00	10% increment per annum	10% increment per annum	10% increment per annum	10% increment per annum	10% increment per annum	10% increment per annum
		Leasing of hawker stalls	Per Month	N/A	N/A	80.00	80.00	85	91	98
9	Billboards						-		-	-
		Banner	For 14 days per banner	60.00	20.00	20.00	25.00	10	12	14
		Other Posters	For 14 days per poster	2.00	2.00	2.00	3.00	1	1	2
		Election posters	Per ward	N/A	N/A	50.00	55.00	100	110	120

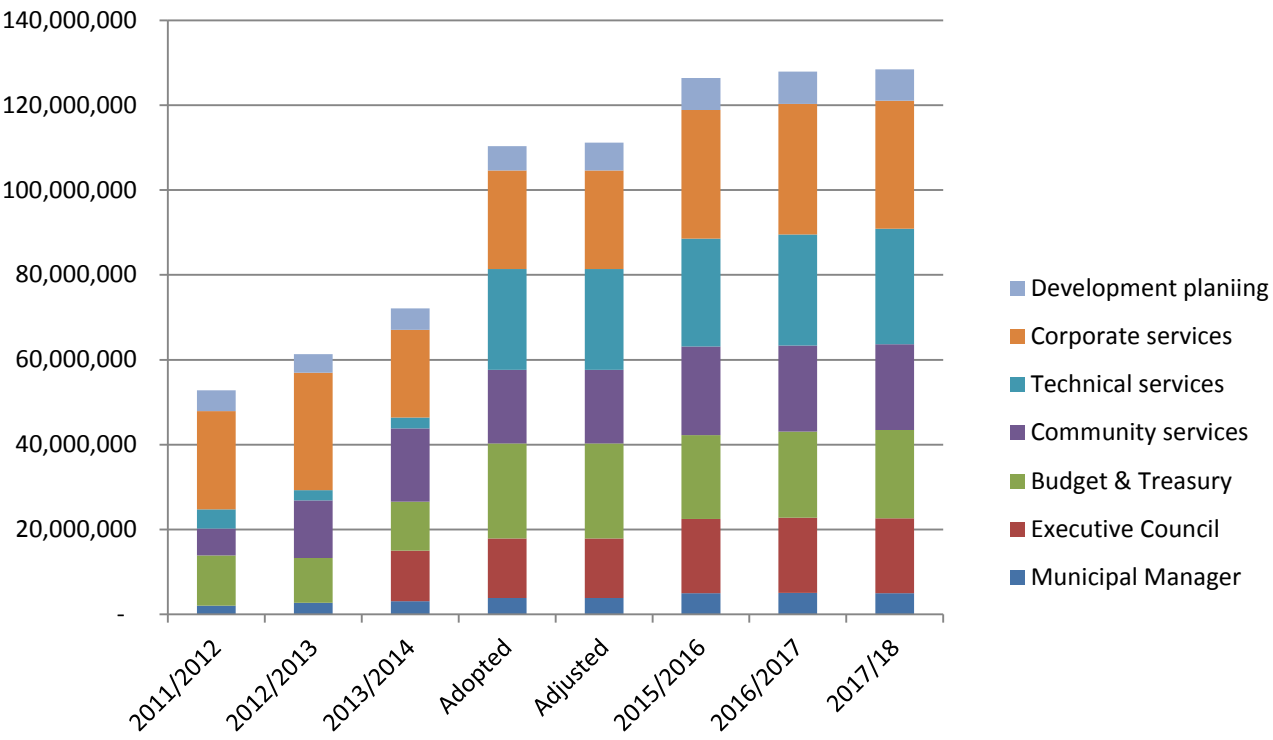
FETAKGOMO LOCAL MUNICIPALITY

		Rental of billboards	Per square meter per month				50.00	53	57	61
		Application for a billboard	Once off				500.00	530	560	612
10	Sale of documents :Access fees in line with the Promotion of Access to Information Act (PAIA), section 54(7)									
		Sale of documents (requirement by the public).	Per document	2.00	20.00	25.00	22.00	23	25	27
		Valuation certificate	Per request	-	-	50.00	55.00	58	62	67
		Letter of demand	Per letter	-	-	7.50	10.00	11	11	12
		Municipal fax machine by external parties	per page	10.00	4.00	4.00	6.00	6	7	7
		Photocopies	per page		1.00	1.00	1.00	1	1	1
		Proof of residence (individuals)		5.00	5.00	5.00	7.00	7	8	9
		Proof of residence (organisations)						10	11	12
		Tender documents -80/20 s tenders	Per document	200.00	200.00	250.00	260.00	280	295	318
		Tender documents -90/10 tenders	Per document	250.00	250.00	300.00	310.00	340	352	380
		-Request for quotation documents as per notice board	Per document	-	-	25.00	25.00	27	28	31
		Public documents; IDP, Budget, Annual report, SDBIP, audit reports, valuation roll etc	Per document	2.00	20.00	50.00	50.00	60	62	65
		MAP Reprint	A4	N/A	N/A	0.75	30.00	32	34	37
		MAP Reprint	A3				40.00	42	45	49
		MAP Reprint	A1	N/A	N/A	7.50	60.00	64	68	73

FETAKGOMO LOCAL MUNICIPALITY

10	Property rates & taxes			<i>Cents in the Rand</i>	<i>Cents in the Rand</i>	<i>Cents in the Rand</i>	<i>Cents in the Rand</i>	<i>Cents in the Rand</i>	<i>Cents in the Rand</i>	<i>Cents in the Rand</i>
		<i>Residential</i>	<i>Per property</i>	<i>0,007</i>	<i>0.0070</i>	<i>0.0070</i>	<i>0.140</i>	<i>0.014</i>	<i>0.014</i>	<i>0.014</i>
		<i>Business</i>	<i>Per property</i>	<i>0,007</i>	<i>0.0070</i>	<i>0.0070</i>	<i>0.210</i>	<i>0.021</i>	<i>0.021</i>	<i>0.210</i>
		<i>Agriculture</i>	<i>Per property</i>	<i>0,007</i>	<i>0.0010</i>	<i>0.0010</i>	<i>0.140</i>	<i>0.014</i>	<i>0.014</i>	<i>0.014</i>
		<i>Public Service Infrastructure</i>	<i>Per property</i>	<i>0,014</i>	<i>0.0140</i>	<i>0.0140</i>	<i>0.140</i>	<i>0.014</i>	<i>0.014</i>	<i>0.014</i>
		<i>State Owned</i>	<i>Per property</i>	<i>0,014</i>	<i>0.0140</i>	<i>0.0140</i>	<i>0.210</i>	<i>0.021</i>	<i>0.210</i>	<i>0.021</i>
11	Traffic Escort	<i>Funerals</i>	<i>Per day</i>					<i>300</i>	<i>305</i>	<i>310</i>
12	Loss of docket							<i>100</i>	<i>120</i>	<i>130</i>

Chart 1: Operating revenue chart per vote



FETAKGOMO LOCAL MUNICIPALITY

Grant Receipts

LIM474 Fetakgomo - Supporting Table SA18 Transfers and grant receipts										
#REF!	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
RECEIPTS:	1, 2									
<u>Operating Transfers and Grants</u>										
National Government:		42,852	49,427	57,213	68,326	68,326	68,326	87,995	88,255	86,686
Local Government Equitable Share		40,562	46,115	52,946	63,620	63,620	63,620	83,160	84,331	82,555
Finance Management		1,500	1,500	1,650	1,800	1,800	1,800	1,800	1,825	1,900
Municipal Systems Improvement		790	800	890	934	934	934	930	957	1,033
EPWP Incentive			1,012	1,000	1,052	1,052	1,052	1,000		
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
MIG-Operating				727	920	920	920	1,105	1,142	1,198
Provincial Government:		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
District Municipality:		-	500	-	-	-	-	-	-	-
Ward committee		-	500	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Other grant providers:		100	97	86	100	947	947	100	120	128
LG-Seta grant		100	97	86	100	100	100	100	120	128
Bokoni mine		-	-	-	-	847	847	-	-	-
Total Operating Transfers and Grants	5	42,952	50,024	57,298	68,426	69,273	69,273	88,095	88,375	86,814
<u>Capital Transfers and Grants</u>										
National Government:		15,356	15,382	17,206	20,532	29,032	29,032	21,004	21,706	22,757
Municipal Infrastructure Grant (MIG)		15,356	15,382	17,206	20,532	29,032	29,032	21,004	21,706	22,757
Provincial Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Ward committee										
Other grant providers:		-	-	-	-	-	-	-	-	-
LG-Seta grant		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	15,356	15,382	17,206	20,532	29,032	29,032	21,004	21,706	22,757
TOTAL RECEIPTS OF TRANSFERS & GRANTS		58,308	65,406	74,504	88,958	98,305	98,305	109,099	110,081	109,571

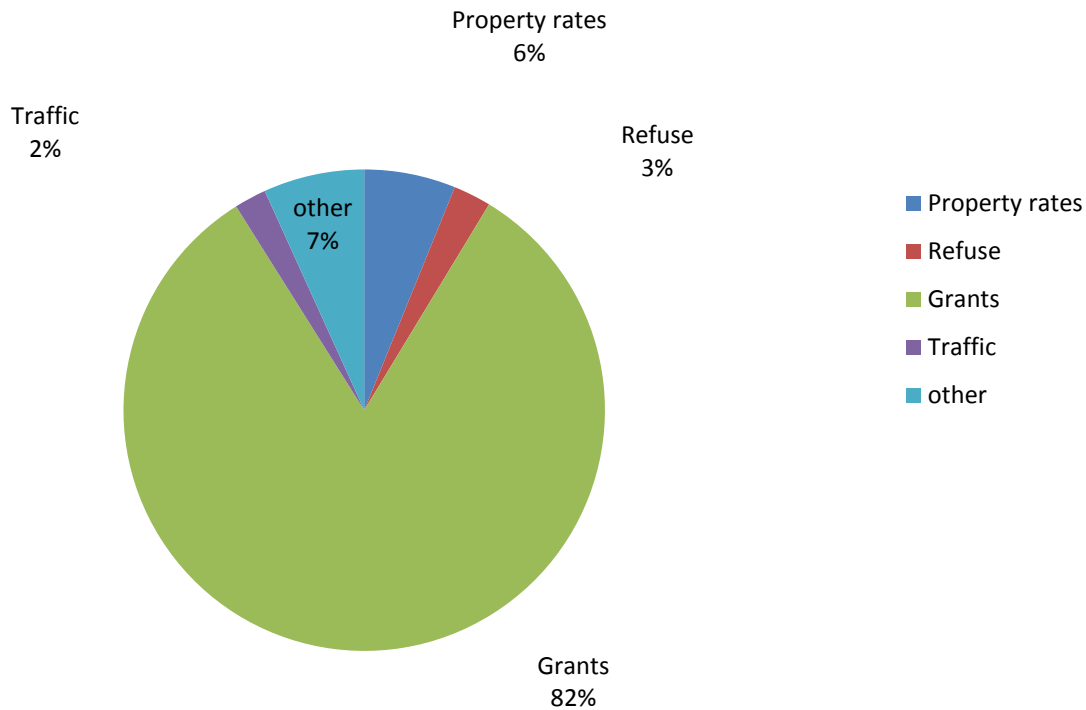
The budget figures shows that total grants allocation from the National government of will be a total of R 109,099 rising to R 110, 081 and R 109, 571 million in 2015/16, 2016/17 and 2017/18 respectively.

The grant revenue constitutes 82 of the total budget for 2015/16 budget year.

Draft Annual Budget for 2015/16 Medium Term Revenue Expenditure Framework

FETAKGOMO LOCAL MUNICIPALITY

Chart 2: Revenue per source chart



As indicated in the graph above, revenue composition is made up as follows;

Grants	82%
Refuse	3%
Traffic	2%
Property rates	6%
Other services	7%

The graph indicates an over reliance on grant revenue at 82 per cent effectively meaning only 18 per cent is regarded as own revenue.

1.4.3. OPERATING EXPENDITURE FRAMEWORK

The municipality's expenditure framework for 2015/16 budget and MTREF is informed by the following;

- Review and prioritisation of expenditure programmes based on impact assessment
- Funding of the budget over the medium term as informed by section 18 and 19 of the MFMA;
- Additional human resources will only be considered as a last resort;
- Operational gains and efficiencies will be directed to funding the capital budget and other core services;
- Salary increases budgeted at 7 per cent which 0,5 per cent above what National Treasury projects
- Provision for doubtful debts is increased to 60% based on collection levels of the current year. This provision should not suggest that council is giving up on efforts to collect revenue from property rates or refuse removal.
- The indigent register has been reviewed, an exercise that resulted in half of the beneficiaries dropping from the list as their conditions of living had improved. It is based on these understanding that the budget is left unchanged at 2014 budget figures although electricity costs have gone up.
- While the operating expenses are rising annually, the budget is considering various ways of reducing recurring expenditure by promoting the green economy, monitoring travelling expensive and removing the nice to have altogether.
- Service delivery programmes have being evaluated and additional funds provided where necessary.
- All revenue projections are based on trends except where the revenue from national or provincial government in which case has been gazetted.
- Funding for capital expenditure takes into account the availability of funding. The capital budget is mainly funded by grant revenue 82 per cent and accumulated funds 18 per cent.

FETAKGOMO LOCAL MUNICIPALITY

Table 5: Summary of operating expenditure by standard classification item

LIM474 Fetakgomo - Table A4 Budgeted Financial Performance (revenue and expenditure)											
	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Expenditure By Type											
Employee related costs	2	24,992	25,408	28,585	34,683	34,298	34,298	–	36,755	38,184	40,392
Remuneration of councillors		6,962	7,047	8,183	8,102	8,305	8,305	–	8,886	9,330	9,797
Debt impairment	3	1,267	6,174	6,425	10,688	10,352	10,352	–	11,387	12,526	13,403
Depreciation & asset impairment	2	1,661	4,080	5,005	4,000	5,000	5,000	–	5,500	4,512	4,828
Finance charges		80	136	120	93	93	93	–	135	143	150
Bulk purchases	2	1,430	1,291	1,461	1,700	1,700	1,700	–	1,800	1,980	2,119
Other materials	8										
Contracted services		1,000	2,504	3,070	3,000	3,200	3,200	–	3,360	3,528	3,740
Transfers and grants		–	–	–	–	–	–	–	–	–	–
Other expenditure	4, 5	13,836	17,671	23,592	25,794	28,872	28,872	–	28,679	29,979	31,763
Loss on disposal of PPE											
Total Expenditure		51,228	64,309	76,440	88,060	91,820	91,820	–	96,503	100,182	106,191

The total operating budget amount to R 96,503 million for 2015/16 budget year and increases to R 100.1 and R106,7 million over the next two years.

FETAKGOMO LOCAL MUNICIPALITY

Depreciation of assets by asset class

LIM474 Fetakgomo - Supporting Table SA34d Consolidated Depreciation by asset class

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<u>Depreciation by Asset Class/Sub-class</u>										
<u>Infrastructure</u>		-	-	-	-	-	-	1,350	1,534	1,641
Infrastructure - Other		-	-	-	-	-	-	1,350	1,534	1,641
Other		-	-	-	-	-	-	1,350	1,534	1,641
<u>Community</u>		2,706	2,943	4,080	3,270	3,270	3,270	420	552	591
Other		2,706	2,943	4,080	3,270	3,270	3,270	420	552	591
<u>Other assets</u>		-	-	-	-	-	-	2,230	2,427	2,597
General vehicles								500	568	607
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment										
Computers - hardware/equipment								240	240	256
Furniture and other office equipment								240	240	256
Civic Land and Buildings								1,250	1,380	1,477
Total Depreciation	1	2,706	2,943	4,080	3,270	3,270	3,270	5,500	4,512	4,828

Provision for depreciation has also been budgeted upward based on the recent asset value to R5.5 million increasing to R4,5 and R4,8 million in 2015/16 and 2017/18 respectively.

FETAKGOMO LOCAL MUNICIPALITY

LIM474 Fetakgomo - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration R thousand	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages		3,588	4,508	4,674	4,603	4,883	4,883	5,050	5,319	5,404
Pension and UIF Contributions		866	1,022	1,028	1,067	1,167	1,167	1,250	1,233	1,338
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		1,283	1,431	1,310	1,581	1,581	1,581	1,692	1,827	1,810
Cellphone Allowance										
Housing Allowances										
Other benefits and allowances				36	105	105	105	110	121	118
Sub Total - Councillors		5,737	6,962	7,047	7,357	7,737	7,737	8,102	8,501	8,669
% increase	4		21.4%	1.2%	4.4%	5.2%	-	4.7%	4.9%	2.0%
Senior Managers of the Municipality	2									
Basic Salaries and Wages		1,827	2,870	3,141	3,940	3,702	3,702	3,789	4,138	4,428
Pension and UIF Contributions		220	183	402	562	518	518	522	1,367	1,463
Medical Aid Contributions		7	26	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	3	312	423	394	410	446	446	433	475	508
Cellphone Allowance	3	31	44	40	45	45	45	47	51	55
Housing Allowances	3	-	-	-	-	-	-	-	-	-
Other benefits and allowances	3	200	406	210	360	266	266	301	329	352
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		2,596	3,952	4,186	5,318	4,977	4,977	5,093	6,360	6,805
% increase	4		52.2%	5.9%	27.0%	(6.4%)	-	2.3%	24.9%	7.0%
Other Municipal Staff										
Basic Salaries and Wages		8,010	10,193	11,383	13,497	13,111	13,111	15,082	15,804	16,910
Pension and UIF Contributions		2,464	3,229	3,072	4,763	4,167	4,167	4,559	4,206	4,500
Medical Aid Contributions		1,008	1,535	1,064	1,815	1,792	1,792	2,060	2,232	2,389
Overtime		16	55	246	182	308	308	340	367	393
Performance Bonus		253	433	211	185	185	185	222	240	257
Motor Vehicle Allowance	3	2,431	3,151	2,809	4,531	3,293	3,293	3,727	4,040	4,322
Cellphone Allowance	3	121	126	143	189	202	202	228	248	265
Housing Allowances	3	147	275	45	139	52	52	107	289	310
Other benefits and allowances	3	1,757	1,946	2,039	2,785	2,628	2,628	3,265	3,441	3,681
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		16,205	20,942	21,010	28,086	25,737	25,737	29,590	30,866	33,027
% increase	4		29.2%	0.3%	33.7%	(8.4%)	-	15.0%	4.3%	7.0%
Total Parent Municipality		24,538	31,856	32,243	40,760	38,451	38,451	42,785	45,728	48,501
			29.8%	1.2%	26.4%	(5.7%)	-	11.3%	6.9%	6.1%

Employees costs amount to R36.4 million in 2015/16 increase to R37,2 and R39.8 in the outer years. This means the salaries are increasing by 11,3 per cent in 2014/15 and 6,9 per cent in 2015/16 and 6.1 per cent in 2016/17. Salaries increases are projected to average 6, 04 in 2015/16 while reducing to 6.94 and 6,1 per cent during the medium term.

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FETAKGOMO LOCAL MUNICIPALITY

A budget amount of **R 1.8 million** is allocated for free basic electricity while the municipality also provide free basic refuse to indigent households.

Two new posts will be filled of the Manager Assets and Asset, logistics and compliance officer.

1.4.4 REMUNERATION OF COUNCILLORS AND EXECUTIVE MANAGEMENT

LIM474 Fetakgomo - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
<u>Councillors</u>	3							
Speaker	4		374,435	4,571	132,605			511,611
Chief Whip			351,033	4,300	125,784			481,117
Mayor			468,044	120,892	5,655			594,592
Executive Committee			1,191,222	13,073	239,229			1,443,524
Total for all other councillors			3,080,155	37,874	1,953,127			5,071,156
Total Councillors	8	–	5,464,889	180,711	2,456,400			8,102,000
<u>Senior Managers of the Municipality</u>	5							
Municipal Manager (MM)			624,740	221,000	196,000			1,041,740
Chief Finance Officer			526,765	197,150	213,651			937,566
Director: Corporate services			511,000	169,000	210,687			890,687
Director: Technical services			511,000	169,000	210,687			890,687
Director : Development planning			511,000	169,000	210,687			890,687
Total Senior Managers of the Municipality	8,10	–	2,684,505	925,150	1,041,712	–		4,651,367
Total for municipal entities	8,10	–	–	–	–	–		–
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	–	8,149,394	1,105,861	3,498,112	–		12,753,367

Councillor remuneration is in line with the upper limits as determined by the minister of Cooperative Governance and Traditional Affairs budgeted at R8.836 million

Total salary bill for executive management is R 4, 6million and the total salaries bill for Council and executive management is R12,7 million as indicated in the table above.

FETAKGOMO LOCAL MUNICIPALITY

LIM474 Fetakgomo - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers	Ref	2012/13			Current Year 2013/14			Budget Year 2014/15		
Number	1,2	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Position s	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)		25	3	22	25	3	22	25	3	22
Board Members of municipal entities	4									
Municipal employees	5									
Municipal Manager and Senior Managers	3	5		5	5		5	5		5
Other Managers	7	14	11	1	15	15	–	15	15	–
Professionals		55	55	–	68	58	6	71	67	6
<i>Finance</i>		8	8		12	9	3	14	11	3
<i>Spatial/town planning</i>		1	1		1	1		1	1	
<i>Information Technology</i>		2	2		2	2		2	2	
<i>Roads</i>										
<i>Electricity</i>		1	1		1			1		
<i>Water</i>										
<i>Sanitation</i>										
<i>Refuse</i>		6	6		9	9		9	13	
<i>Other</i>		37	37		43	37	3	46	42	3
Technicians		–	–	–	–	–	–	–	–	–
TOTAL PERSONNEL NUMBERS	9	99	69	28	113	76	33	116	85	33
% increase					14.1%	10.1%	17.9%	2.7%	11.8%	–

FETAKGOMO LOCAL MUNICIPALITY

Repairs and Maintenance

LIM474 Fetakgomo - Supporting Table SA34c Consolidated repairs and maintenance by asset class

Description R thousand	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<u>Repairs and maintenance expenditure by Asset Class/Sub-class</u>										
<u>Infrastructure</u>		6	200	257	405	326	326	721	722	788
Infrastructure - Road transport		–	–	28	5	5	5	25	30	32
Roads, Pavements & Bridges		–	–	28	5	5	5	25	30	32
Storm water		–	–	–	–	–	–	–	–	–
Infrastructure - Electricity		–	–	105	200	200	200	400	350	375
Generation		–	–	–	–	–	–			
Transmission & Reticulation		–	–	–	–	–	–			
Street Lighting		–	–	105	200	200	200	400	350	375
Infrastructure - Water		–	–	–	–	–	–	50	60	80
Dams & Reservoirs								50	60	80
Water purification										
Infrastructure - Other		6	200	125	200	121	121	246	282	302
Waste Management		6	200	125	200	121	121	246	282	302
<u>Community</u>		–	–	–	50	–	–	100	107	114
Parks & gardens								100	107	114
Sportsfields & stadia										
<u>Other assets</u>		443	444	612	862	862	862	701	971	1,052
General vehicles		73	80	139	154	104	104	160	250	267
Specialised vehicles		–	–	58	158	158	158	160	315	349
Plant & equipment								5		
Computers - hardware/equipment										
Furniture and other office equipment		40	150	55	–	–	–	56	61	65
Abattoirs				–	–	–	–			
Markets				–	–	–	–	20	22	24
Civic Land and Buildings		331	214	361	250	300	300	300	324	347
Other					300	300	300			
Total Repairs and Maintenance Expenditure	1	449	644	869	1,317	1,188	1,188	1,522	1,800	1,954
<u>Specialised vehicles</u>		–	–	58	158	158	158	160	315	349
Refuse				58	158	158	158	160	315	349
R&M as a % of PPE		0.7%	0.8%	1.0%	1.0%	1.0%	1.0%	1.1%	1.2%	1.1%
R&M as % Operating Expenditure		1.1%	1.3%	1.3%	1.7%	1.5%	1.5%	1.7%	1.8%	1.8%

Draft Annual Budget for 2015/16 Medium Term Revenue Expenditure Framework

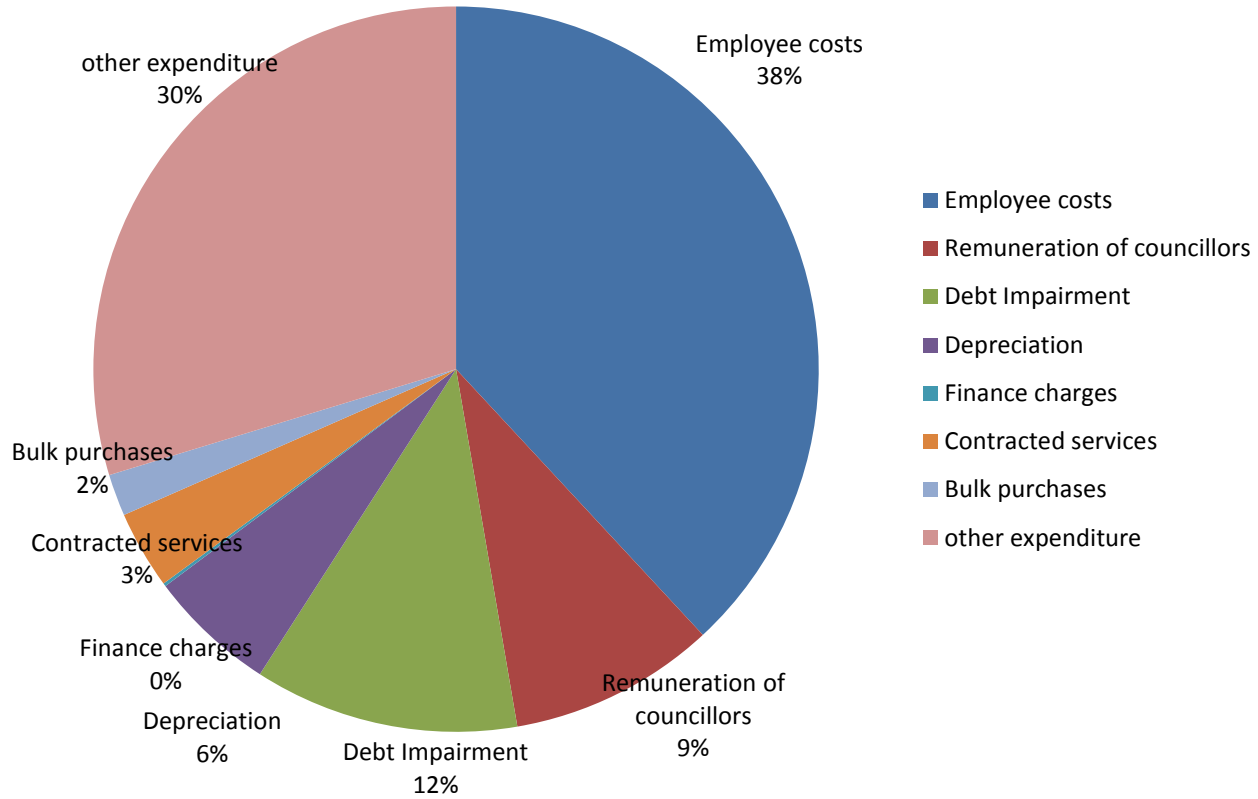
FETAKGOMO LOCAL MUNICIPALITY

Key expenditure programmes for implementation include;

- Continued use of expanded public works programme for job creation in the areas of refuse collection, cleaning of municipal offices, infrastructure projects and distribution of statements.
- Strengthening of the ward committee system of local government through re-training and skilling, provision of tools of trade and payment of stipends.
- Programmes that improve the conditions of youth, people with disabilities, the elderly, children and women.
- Support to farmers through provision of seed infrastructure.
- Provision of bursaries to needy and deserving learners.
- Support of sport and arts programmes
- Support of local entrepreneurs and cooperative through capital injection.
- Improving measures to prevent fraud, risk management and improve governance.
- Improvement of the revenue collection through better and improved billing systems
- Provision of funds to strengthen the traffic management and the licensing divisions
- Improvement of the refuse removal service through provision of adequate assets and infrastructure for effective collection.
- Allocation for free basic electricity to needy households in line with the municipality's indigent management policies.
- Paving of internal streets.
- Support of local farming initiatives, tourism and local economic development.
- Implementation of SCOA for alignment of budgeting and reporting as initiated by national treasury.
- Infrastructure projects include extension of municipal cemeteries, extension of access roads, high mast lights extensions and funding of new cemeteries project.

FETAKGOMO LOCAL MUNICIPALITY

Chart 3: Expenditure per type chart



FETAKGOMO LOCAL MUNICIPALITY

CHART 4: OPERATING EXPENDITURE PER VOTE CHART

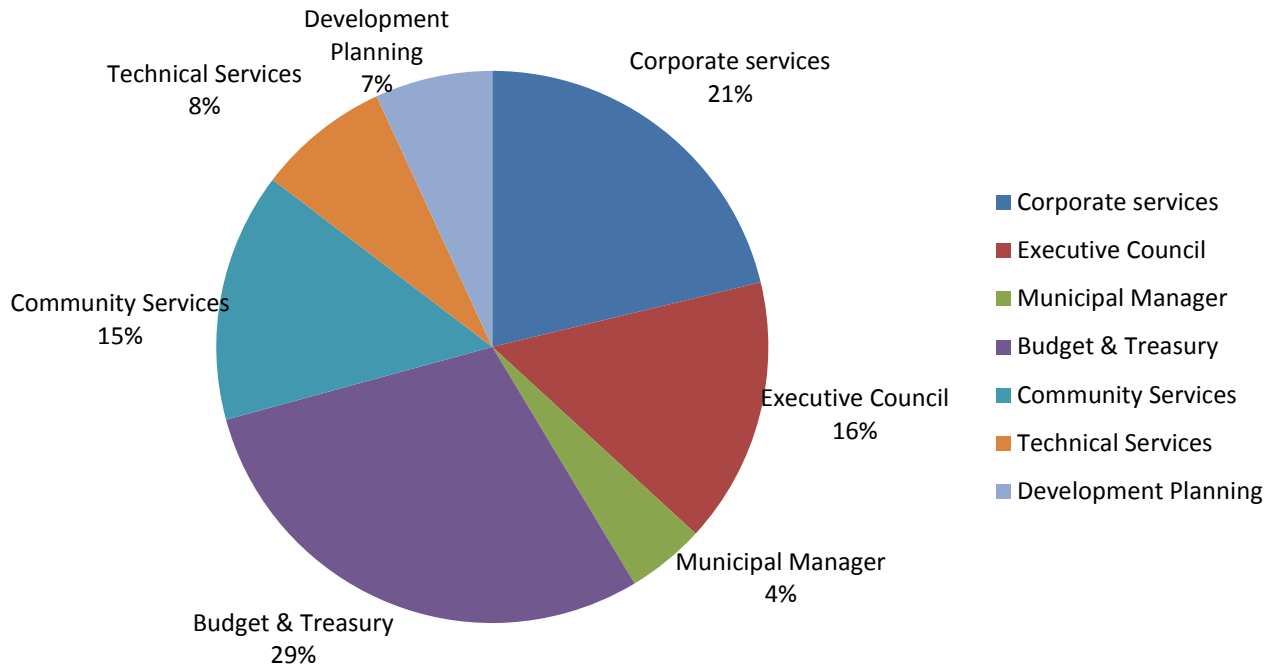
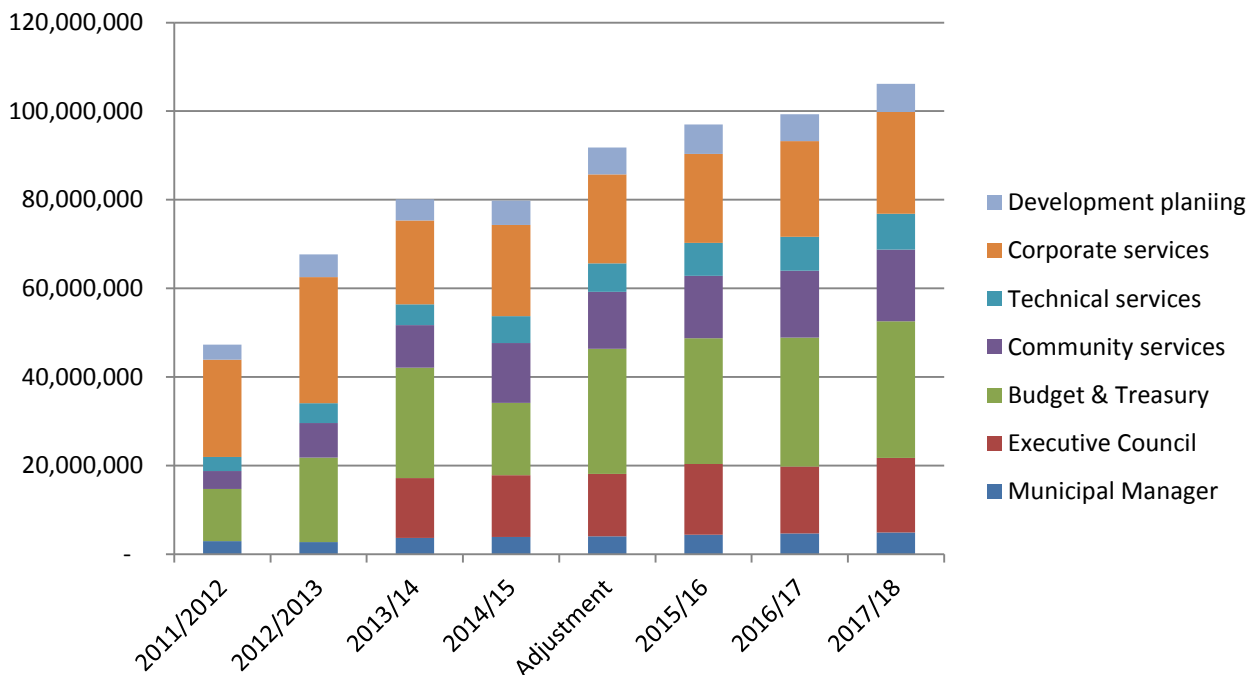


Chart 5 : Operating expenditure per vote chart over seven years



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1.5 CAPITAL EXPENDITURE

The following table provides a breakdown of budgeted capital expenditure by vote

Table 12: Consolidated Overview of Capital Expenditure Funding

LIM474 Fetakgomo - Table A5 Consolidated Budgeted Capital Expenditure by vote, standard classification and funding											
Vote Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Funded by:											
National Government		12,138	17,910	19,042	20,352	20,352	20,352	–	21,004	21,706	22,757
Provincial Government											
District Municipality											
Other transfers and grants											
Transfers recognised - capital	4	12,138	17,910	19,042	20,352	20,352	20,352	–	21,004	21,706	22,757
Public contributions & donations	5										
Borrowing	6										
Internally generated funds		465	4,222	4,825	13,929	13,983	13,983	–	14,917	16,561	9,009
Total Capital Funding	7	12,603	22,133	23,867	34,282	34,335	34,335		35,921	38,266	31,766

Performance indicators for capital budget

- Cemeteries upgraded with fencing and ablution facilities in the allocated timeframe.
- Acquisition of new furniture to the new building and the testing station.
- Acquisition of the dustbins for the community within the allocated timeframe.
- Percentage completion of the house numbering project.
- Hoeraroep access road construction complete
- Nchabeleng bridge construction complete
- Construction of access road for the new traffic station
- Number of Internal roads paved

The municipality will spend the entire capital budget constructing new capital assets than renewing existing assets. This is mainly due to the fact that the municipality does not own old or historic infrastructure which is dilapidated.

1.6. Annual Budget Tables-Parent Municipality

The following pages presents the main budget tables as required in terms of section 8 of the municipal budget and reporting regulations. These tables set out the municipality's 2015/16 budget and MTREF as approved by Council. Each table is accompanied by explanatory note on the next page.

Annual Budget Tables

FETAKGOMO LOCAL MUNICIPALITY

LIM474 Fetakgomo - Table A1 Budget Summary

Description	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousands										
Financial Performance										
Property rates	920	4,427	8,002	9,022	9,022	9,022	–	8,136	8,444	8,846
Service charges	1,910	2,396	4,118	3,607	3,687	3,687	–	4,287	4,296	4,318
Investment revenue	800	677	1,191	1,550	1,550	1,550	–	1,239	1,244	1,291
Transfers recognised - operational	43,672	50,693	57,486	68,362	69,273	69,273	–	88,095	88,375	86,814
Other own revenue	5,506	2,360	3,483	7,451	7,314	7,314	–	3,638	3,837	4,093
Total Revenue (excluding capital transfers and contributions)	52,808	60,553	74,279	89,992	90,846	90,846	–	105,395	106,197	105,361
Employee costs	24,992	25,408	28,585	34,683	34,298	34,298	–	36,755	38,184	40,392
Remuneration of councillors	6,962	7,047	8,183	8,102	8,305	8,305	–	8,886	9,330	9,797
Depreciation & asset impairment	1,661	4,080	5,005	4,000	5,000	5,000	–	5,500	4,512	4,828
Finance charges	80	136	120	93	93	93	–	135	143	150
Materials and bulk purchases	1,430	1,291	1,461	1,700	1,700	1,700	–	1,800	1,980	2,119
Transfers and grants	–	–	–	–	–	–	–	–	–	–
Other expenditure	16,103	26,349	33,088	39,482	42,424	42,424	–	43,426	46,033	48,905
Total Expenditure	51,228	64,309	76,440	88,060	91,820	91,820	–	96,503	100,182	106,191
Surplus/(Deficit)	1,580	(3,756)	(2,161)	1,932	(974)	(974)	–	8,892	6,015	(830)
Transfers recognised - capital	12,138	17,910	19,042	20,352	20,352	20,352	–	21,004	21,706	22,757
Contributions recognised - capital & contributed a	465	4,222	4,825	13,929	13,983	13,983	–	14,917	16,561	9,009
Surplus/(Deficit) after capital transfers & contributions	14,183	18,377	21,706	36,214	33,361	33,361	–	44,813	44,281	30,936
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	14,183	18,377	21,706	36,214	33,361	33,361	–	44,813	44,281	30,936
Capital expenditure & funds sources										
Capital expenditure	12,603	22,133	23,867	34,282	34,335	34,335	–	35,921	38,266	31,766
Transfers recognised - capital	12,138	17,910	19,042	20,352	20,352	20,352	–	21,004	21,706	22,757
Public contributions & donations	–	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–	–
Internally generated funds	465	4,222	4,825	13,929	13,983	13,983	–	14,917	16,561	9,009
Total sources of capital funds	12,603	22,133	23,867	34,282	34,335	34,335	–	35,921	38,266	31,766
Financial position										
Total current assets	10,771	20,425	25,615	12,159	13,840	13,840	–	31,644	30,419	36,367
Total non current assets	61,875	94,626	106,883	138,639	134,351	134,351	–	170,272	158,370	178,715
Total current liabilities	7,142	13,117	18,367	7,714	5,358	5,358	–	7,714	5,536	4,823
Total non current liabilities	353	425	791	2,101	899	899	–	2,101	3,308	3,326
Community wealth/Equity	65,152	101,509	113,340	140,983	141,934	141,934	–	192,100	179,945	206,933
Cash flows										
Net cash from (used) operating	17,296	18,262	21,280	23,184	22,594	21,243	–	34,785	32,655	28,008
Net cash from (used) investing	(11,382)	(16,336)	(21,661)	(23,226)	(27,478)	(30,335)	–	(32,329)	(32,526)	(27,001)
Net cash from (used) financing	(58)	(75)	(112)	(229)	(229)	(143)	–	–	–	–
Cash/cash equivalents at the year end	14,595	16,446	15,952	(271)	(5,114)	(9,235)	–	2,457	2,586	3,593
Cash backing/surplus reconciliation										
Cash and investments available	8,852	15,983	15,489	11,934	1	1	–	11,538	6,369	7,408
Application of cash and investments	6,334	12,178	17,284	6,983	4,193	4,336	–	6,416	4,711	3,861
Balance - surplus (shortfall)	2,517	3,805	(1,795)	4,951	(4,192)	(4,335)	–	5,123	1,658	3,548
Asset management										
Asset register summary (WDV)	304	6,579	3,379	176	3,379	3,379	3,379	3,379	3,379	3,379
Depreciation & asset impairment	1,661	4,080	5,005	4,000	5,000	5,000	5,500	5,500	4,512	4,828
Renewal of Existing Assets	–	–	–	–	–	–	–	–	–	–
Repairs and Maintenance	–	–	–	–	–	–	–	–	–	–
Free services										
Cost of Free Basic Services provided	–	–	–	–	–	–	–	–	–	–
Revenue cost of free services provided	–	–	–	–	–	–	–	–	–	–
Households below minimum service level										
Water:	–	–	–	–	–	–	–	–	–	–
Sanitation/sew erage:	–	–	–	–	–	–	–	–	–	–
Energy:	–	–	–	–	–	–	–	–	–	–
Refuse:	–	–	–	–	–	–	–	–	–	–

Draft Annual Budget for 2015/16 Medium Term Revenue Expenditure Framework

FETAKGOMO LOCAL MUNICIPALITY

Explanatory notes to MBRR table A1-Budget Summary

1. *Table A1 is a budget summary and provides a concise overview of the budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).*
2. *The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.*
3. *Financial management reforms emphasises the importance of the municipal budget being funded. This requires the simultaneous assessments of the financial performance, financial position and cash flow budgets, along with the capital budget. The budget summary provides the key information in this regard;*
 - a. *The operating surplus/deficit (after total expenditure) is positive over the MTREF*
 - b. *Capital expenditure is balanced by capital by capital funding sources, of which*
 - i. *Transfers recognised is reflected on the financial performance budget*
 - ii. *Borrowing is incorporated in the net cash from financing on the cash flow budget*
 - iii. *Internally generated funds are financed from a combination of the current operating surplus and accumulated cash backed surplus from previous years. The amount is incorporated in the net cash from investing on the cash flow budget. The fact that the municipality's cash flow remains positive, and is improving indicates that the necessary cash resources are available to fund the Capital budget.*
4. *Municipality continue to cater for free basic services to the indigent residents. In addition, the municipality continues to make progress in addressing service delivery backlogs. It is anticipated that by 2030 the will have nearly being eliminated.*

FETAKGOMO LOCAL MUNICIPALITY

LIM474 Fetakgomo - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand	1									
Revenue - Standard										
<i>Governance and administration</i>		37,016	40,956	51,146	63,535	63,655	63,655	72,561	73,815	73,172
Executive and council		2,028	2,693	14,986	17,911	17,911	17,911	22,453	22,769	22,290
Budget and treasury office		11,884	10,616	15,492	22,387	22,507	22,507	19,822	20,301	20,750
Corporate services		23,105	27,647	20,668	23,237	23,237	23,237	30,286	30,745	30,132
<i>Community and public safety</i>		6,272	13,520	15,435	17,311	17,101	17,101	20,869	20,259	20,241
Community and social services		6,272	13,520	15,435	17,311	17,101	17,101	20,869	20,259	20,241
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		24,213	22,220	24,904	29,498	30,442	30,442	32,968	33,829	34,706
Planning and development		24,213	22,220	24,904	29,498	30,442	30,442	32,968	33,829	34,706
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	-	-	-	-	-	-	-
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	2	67,501	76,695	91,485	110,344	111,198	111,198	126,398	127,903	128,119
Expenditure - Standard										
<i>Governance and administration</i>		33,771	42,993	55,135	63,340	66,397	66,397	68,275	71,332	75,496
Executive and council		2,902	2,696	17,141	17,819	18,103	18,103	19,436	20,630	21,722
Budget and treasury office		8,885	11,817	19,060	24,923	28,229	28,229	28,342	29,077	30,815
Corporate services		21,983	28,480	18,934	20,599	20,065	20,065	20,497	21,626	22,960
<i>Community and public safety</i>		7,824	12,811	11,089	12,831	12,889	12,889	14,099	15,129	16,188
Community and social services		7,824	12,811	11,089	12,831	12,889	12,889	14,099	15,129	16,188
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		9,633	8,505	10,217	11,889	12,534	12,534	14,129	13,722	14,507
Planning and development		9,633	8,505	10,217	11,889	12,534	12,534	14,129	13,722	14,507
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	-	-	-	-	-	-	-
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	3	51,228	64,309	76,440	88,060	91,820	91,820	96,503	100,182	106,191
Surplus/(Deficit) for the year		16,274	12,386	15,045	22,285	19,379	19,379	29,896	27,720	21,927

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1. *Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into 15 functional areas. The municipal revenue, operating expenditure and capital expenditure are then classified in terms of these functional areas which enable the National Treasury to compile “whole government reports”.*
2. *Note the total revenue on this table includes capital revenues and so does not balance to the operating revenue shown on table A4.*

Note that as a general principle the revenues for trading should exceed their expenditures. Other functions that show a deficit between revenue and expenditure are being financed from other revenues and accumulated cash backed surplus.

FETAKGOMO LOCAL MUNICIPALITY

LIM474 Fetakgomo - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description		Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Revenue by Vote		1									
Vote 1 - CORPORATE SERVICES			23,105	27,647	20,668	23,237	23,237	23,237	30,286	30,745	30,132
Vote 2 - Executive ECExUTIVE SUPPORT			-	-	11,895	14,094	14,094	14,094	17,464	17,710	17,337
Vote 3 - MUNICIPAL MANAGERS			2,028	2,693	3,092	3,817	3,817	3,817	4,990	5,060	4,953
Vote 4 - BUDGET & TREASURY OFFICE			11,884	10,616	15,492	22,387	22,507	22,507	19,822	20,301	20,750
Vote 5 - COMMUNITY SERVICES			6,272	13,520	15,435	17,311	17,101	17,101	20,869	20,259	20,241
Vote 6 - TECHNICAL SERVICES			19,269	17,849	19,698	23,753	23,817	23,817	25,435	26,221	27,257
Vote 7 - DEVELOPMENT PLANNING			5,162	4,301	4,812	5,466	6,121	6,121	6,643	6,077	6,384
Vote 8 - INFRASTRUCTURE			-	-	-	-	-	-	-	-	-
Vote 9 - COMMUNITY SERVICES			-	-	-	-	-	-	-	-	-
Vote 10 - OTHER ASSETS			-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]			-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]			-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]			-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]			-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]			-	-	-	-	-	-	-	-	-
Total Revenue by Vote		2	67,719	76,625	91,091	110,065	110,694	110,694	125,509	126,372	127,054
Expenditure by Vote to be appropriated		1									
Vote 1 - CORPORATE SERVICES			21,983	28,480	18,934	20,599	20,065	20,065	20,497	21,626	22,960
Vote 2 - Executive ECExUTIVE SUPPORT			-	-	13,460	13,943	14,108	14,108	15,037	15,967	16,826
Vote 3 - MUNICIPAL MANAGERS			2,902	2,696	3,681	3,876	3,995	3,995	4,398	4,662	4,895
Vote 4 - BUDGET & TREASURY OFFICE			8,885	11,817	19,060	24,923	28,229	28,229	28,342	29,077	30,815
Vote 5 - COMMUNITY SERVICES			7,824	12,811	11,089	12,831	12,889	12,889	14,099	15,129	16,188
Vote 6 - TECHNICAL SERVICES			4,471	4,203	5,405	6,423	6,413	6,413	7,486	7,645	8,123
Vote 7 - DEVELOPMENT PLANNING			5,162	4,301	4,812	5,466	6,121	6,121	6,643	6,077	6,384
Vote 8 - INFRASTRUCTURE			-	-	-	-	-	-	-	-	-
Vote 9 - COMMUNITY SERVICES			-	-	-	-	-	-	-	-	-
Vote 10 - OTHER ASSETS			-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]			-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]			-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]			-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]			-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]			-	-	-	-	-	-	-	-	-
Total Expenditure by Vote		2	51,228	64,309	76,440	88,060	91,820	91,820	96,503	100,182	106,191
Surplus/(Deficit) for the year		2	16,491	12,316	14,651	22,006	18,875	18,875	29,006	26,189	20,863

FETAKGOMO LOCAL MUNICIPALITY

LIM474 Fetakgomo - Table A4 Budgeted Financial Performance (revenue and expenditure)

Table A1 Budgeted financial performance (revenue and expenditure)											
R thousand	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue By Source											
Property rates	2	900	4,313	7,686	9,000	9,000	9,000	–	7,720	8,029	8,430
Property rates - penalties & collection charges		20	113	317	22	22	22	–	416	416	416
Service charges - electricity revenue	2	–	–	–	–	–	–	–	–	–	–
Service charges - water revenue	2	–	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue	2	–	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue	2	1,800	2,341	3,885	3,420	3,420	3,420	–	4,082	4,082	4,094
Service charges - other		110	56	233	187	267	267	–	206	214	224
Rental of facilities and equipment		340	228	165	271	271	271	–	273	292	312
Interest earned - external investments		800	677	1,191	1,550	1,550	1,550	–	1,239	1,244	1,291
Interest earned - outstanding debtors		60	–	–	74	74	74	–	79	84	90
Dividends received								–			
Fines		100	–	1,129	550	550	550	–	600	642	687
Licences and permits		1,200	1,722	1,766	2,000	2,000	2,000	–	2,250	2,408	2,576
Agency services		600	254	321	550	383	383	–	346	319	332
Transfers recognised - operational		43,672	50,693	57,486	68,362	69,273	69,273	–	88,095	88,375	86,814
Other revenue	2	3,206	155	101	4,005	4,035	4,035	–	90	92	96
Gains on disposal of PPE											
Total Revenue (excluding capital transfers and contributions)		52,808	60,553	74,279	89,992	90,846	90,846	–	105,395	106,197	105,361
Expenditure By Type											
Employee related costs	2	24,992	25,408	28,585	34,683	34,298	34,298	–	36,755	38,184	40,392
Remuneration of councillors		6,962	7,047	8,183	8,102	8,305	8,305	–	8,886	9,330	9,797
Debt impairment	3	1,267	6,174	6,425	10,688	10,352	10,352	–	11,387	12,526	13,403
Depreciation & asset impairment	2	1,661	4,080	5,005	4,000	5,000	5,000	–	5,500	4,512	4,828
Finance charges		80	136	120	93	93	93	–	135	143	150
Bulk purchases	2	1,430	1,291	1,461	1,700	1,700	1,700	–	1,800	1,980	2,119
Other materials	8										
Contracted services		1,000	2,504	3,070	3,000	3,200	3,200	–	3,360	3,528	3,740
Transfers and grants		–	–	–	–	–	–	–	–	–	–
Other expenditure	4, 5	13,836	17,671	23,592	25,794	28,872	28,872	–	28,679	29,979	31,763
Loss on disposal of PPE											
Total Expenditure		51,228	64,309	76,440	88,060	91,820	91,820	–	96,503	100,182	106,191
Surplus/(Deficit)		1,580	(3,756)	(2,161)	1,932	(974)	(974)	–	8,892	6,015	(830)
Transfers recognised - capital		12,138	17,910	19,042	20,352	20,352	20,352	–	21,004	21,706	22,757
Contributions recognised - capital	6	–	–	–	–	–	–	–	–	–	–
Contributed assets		465	4,222	4,825	13,929	13,983	13,983	–	14,917	16,561	9,009
Surplus/(Deficit) after capital transfers & contributions		14,183	18,377	21,706	36,214	33,361	33,361	–	44,813	44,281	30,936
Taxation											
Surplus/(Deficit) after taxation		14,183	18,377	21,706	36,214	33,361	33,361	–	44,813	44,281	30,936
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		14,183	18,377	21,706	36,214	33,361	33,361	–	44,813	44,281	30,936
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		14,183	18,377	21,706	36,214	33,361	33,361	–	44,813	44,281	30,936

Draft Annual Budget for 2015/16 Medium Term Revenue Expenditure Framework

FETAKGOMO LOCAL MUNICIPALITY

LIM474 Fetakgomo - Table A5 Consolidated Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - CORPORATE SERVICES		-	-	1,940	-	-	-	-	-	-	-
Vote 2 - Executive ECEXUTIVE SUPPORT		-	-	-	-	-	-	-	-	-	-
Vote 3 - MUNICIPAL MANAGERS		-	-	-	-	-	-	-	-	-	-
Vote 4 - BUDGET & TREASURY OFFICE		-	-	-	-	-	-	-	-	-	-
Vote 5 - COMMUNITY SERVICES		-	7,907	18,515	16,954	17,888	17,888	-	8,750	18,546	18,546
Vote 6 - TECHNICAL SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 7 - DEVELOPMENT PLANNING		-	-	-	-	-	-	-	-	-	-
Vote 8 - INFRASTRUCTURE		-	-	-	4,633	8,698	8,698	-	17,250	16,000	12,000
Capital multi-year expenditure sub-total	7	-	7,907	20,455	21,586	26,586	26,586	-	26,000	34,546	30,546
Single-year expenditure to be appropriated	2										
Vote 1 - CORPORATE SERVICES		3,627	1,285	-	770	760	760	-	350	440	440
Vote 2 - Executive ECEXUTIVE SUPPORT		-	-	-	-	-	-	-	-	-	-
Vote 3 - MUNICIPAL MANAGERS		-	-	30	-	-	-	-	-	-	-
Vote 4 - BUDGET & TREASURY OFFICE		108	-	70	-	-	-	-	-	-	-
Vote 5 - COMMUNITY SERVICES		3,997	-	-	6,030	5,880	5,880	-	1,000	630	630
Vote 6 - TECHNICAL SERVICES		4,872	83	2,682	150	150	150	-	71	150	150
Vote 7 - DEVELOPMENT PLANNING		-	-	630	-	-	-	-	-	-	-
Vote 8 - INFRASTRUCTURE		-	6,691	-	5,745	958	958	-	8,500	2,500	-
Vote 9 - COMMUNITY SERVICES		-	6,166	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		12,603	14,225	3,412	12,695	7,749	7,749	-	9,921	3,720	1,220
Total Capital Expenditure - Vote		12,603	22,133	23,867	34,282	34,335	34,335	-	35,921	38,266	31,766
Capital Expenditure - Standard											
Governance and administration		3,735	1,285	2,040	770	760	760	-	350	440	440
Executive and council				30							
Budget and treasury office		108		70							
Corporate services		3,627	1,285	1,940	770	760	760	-	350	440	440
Community and public safety		3,997	14,073	18,515	22,984	23,769	23,769	-	9,750	19,176	19,176
Community and social services		3,997	14,073	18,515	22,984	23,769	23,769	-	9,750	19,176	19,176
Economic and environmental services		4,872	6,774	3,312	10,528	9,806	9,806	-	25,821	18,650	12,150
Planning and development		4,872	6,774	3,312	10,528	9,806	9,806	-	25,821	18,650	12,150
Total Capital Expenditure - Standard	3	12,603	22,133	23,867	34,282	34,335	34,335	-	35,921	38,266	31,766
Funded by:											
National Government		12,138	17,910	19,042	20,352	20,352	20,352	-	21,004	21,706	22,757
Provincial Government											
District Municipality											
Other transfers and grants											
Transfers recognised - capital	4	12,138	17,910	19,042	20,352	20,352	20,352	-	21,004	21,706	22,757
Public contributions & donations	5										
Borrowing	6										
Internally generated funds		465	4,222	4,825	13,929	13,983	13,983	-	14,917	16,561	9,009
Total Capital Funding	7	12,603	22,133	23,867	34,282	34,335	34,335	-	35,921	38,266	31,766

Draft Annual Budget for 2015/16 Medium Term Revenue Expenditure Framework

FETAKGOMO LOCAL MUNICIPALITY

LIM474 Fetakgomo - Table A6 Budgeted Financial Position

#REF!	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
ASSETS											
Current assets											
Cash		8,739	16,139	15,489	142	1	1		9,384	183	196
Call investment deposits	1	112	–	–	11,792	–	–	–	2,154	6,186	7,212
Consumer debtors	1	–	–	–	–	–	–	–	–	–	–
Other debtors		1,808	2,333	2,403	57	2,130	2,130		2,675	90	92
Current portion of long-term receivables			1,844	7,389		11,041	11,041		16,641	23,092	27,955
Inventory	2	111	110	334	168	668	668		790	869	912
Total current assets		10,771	20,425	25,615	12,159	13,840	13,840	–	31,644	30,419	36,367
Non current assets											
Long-term receivables											
Investments											
Investment property		304	6,579	3,379	176	3,379	3,379		3,379	3,379	3,379
Investment in Associate											
Property , plant and equipment	3	61,571	87,942	103,399	138,463	130,867	130,867	–	166,788	154,886	175,232
Agricultural											
Biological											
Intangible											
Other non-current assets			105	105		105	105		105	105	105
Total non current assets		61,875	94,626	106,883	138,639	134,351	134,351	–	170,272	158,370	178,715
TOTAL ASSETS		72,647	115,051	132,498	150,798	148,190	148,190	–	201,916	188,788	215,082
LIABILITIES											
Current liabilities											
Bank overdraft	1		156	–		–	–				
Borrowing	4	140	44	175	110	386	386	–	110	86	126
Consumer deposits											
Trade and other payables	4	7,002	12,866	17,846	6,991	4,569	4,569	–	6,991	4,732	3,884
Provisions			51	347	614	403	403		614	718	814
Total current liabilities		7,142	13,117	18,367	7,714	5,358	5,358	–	7,714	5,536	4,823
Non current liabilities											
Borrowing		353	12	294	–	386	386	–	–	–	–
Provisions		–	413	497	2,101	513	513	–	2,101	3,308	3,326
Total non current liabilities		353	425	791	2,101	899	899	–	2,101	3,308	3,326
TOTAL LIABILITIES		7,495	13,542	19,158	9,816	6,257	6,257	–	9,816	8,844	8,149
NET ASSETS	5	65,152	101,509	113,340	140,983	141,934	141,934	–	192,100	179,945	206,933
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		65,152	101,509	113,340	140,983	141,934	141,934	–	192,100	179,945	206,933
Reserves	4	–	–	–	–	–	–	–	–	–	–
Minorities' interests											
TOTAL COMMUNITY WEALTH/EQUITY	5	65,152	101,509	113,340	140,983	141,934	141,934	–	192,100	179,945	206,933

Draft Annual Budget for 2015/16 Medium Term Revenue Expenditure Framework

FETAKGOMO LOCAL MUNICIPALITY

LIM474 Fetakgomo - Table A7 Budgeted Cash Flows

R thousand	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates, penalties & collection charges		1,643	239	715	825	825	825		407	407	407
Service charges		973	1,517	2,105	1,302	2,029	679		614	622	632
Other revenue		463	951	828	685	685	685		2,434	2,790	3,230
Government - operating	1	47,782	52,663	58,474	68,362	68,362	68,362		88,095	88,375	86,814
Government - capital	1	11,382	16,051	17,932	20,532	20,532	20,532		19,953	20,620	21,619
Interest		1,149	729	1,191	1,550	1,550	1,550		1,119	1,124	1,294
Dividends									-	-	-
Payments											
Suppliers and employees		(46,073)	(53,877)	(59,946)	(69,978)	(71,296)	(71,296)		(77,702)	(81,140)	(85,838)
Finance charges		(23)	(12)	(20)	(93)	(93)	(93)		(135)	(143)	(150)
Transfers and Grants	1								-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		17,296	18,262	21,280	23,184	22,594	21,243	-	34,785	32,655	28,008
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
		-	-	-	-	-	-	-	-	-	-
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-
Decrease (Increase) in non-current debtors		-	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-
Payments											
		-	-	-	-	-	-	-	-	-	-
Capital assets		(11,382)	(16,336)	(21,661)	(23,226)	(27,478)	(30,335)		(32,329)	(32,526)	(27,001)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(11,382)	(16,336)	(21,661)	(23,226)	(27,478)	(30,335)	-	(32,329)	(32,526)	(27,001)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	(86)	(86)	-	-	-	-	-
Payments											
		-	-	-	-	-	-	-	-	-	-
Repayment of borrowing		(58)	(75)	(112)	(143)	(143)	(143)	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		(58)	(75)	(112)	(229)	(229)	(143)	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD											
		5,856	1,851	(494)	(271)	(5,114)	(9,235)	-	2,456	129	1,007
Cash/cash equivalents at the year begin:	2	8,739	14,595	16,446					1	2,457	2,586
Cash/cash equivalents at the year end:	2	14,595	16,446	15,952	(271)	(5,114)	(9,235)	-	2,457	2,586	3,593

FETAKGOMO LOCAL MUNICIPALITY

LIM474 Fetakgomo - Table A8 Cash backed reserves/accumulated surplus reconciliation

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FETAKGOMO LOCAL MUNICIPALITY

LIM474 Fetakgomo - Table A9 Consolidated Asset Management

Description	Ref	2012/13	2012/13	2013/14	Current Year 2014/15			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand										
CAPITAL EXPENDITURE										
<u>Total New Assets</u>	1	18,616	12,603	22,133	23,867	31,536	31,536	24,448	31,955	28,965
Infrastructure - Road transport		2,927	150	–	–	1,000	1,000	4,200	9,500	7,500
Infrastructure - Electricity		416	505	5,191	2,625	10,613	10,613	4,853	4,166	6,000
Infrastructure - Other		1,722	–	1,500	5,175	5,175	5,175	510	1,289	789
Infrastructure		5,065	655	6,691	7,800	16,788	16,788	9,563	14,955	14,289
Community		3,776	6,000	6,657	12,075	10,164	10,164	11,895	9,301	11,146
Other assets	6	9,774	5,948	8,785	3,992	4,585	4,585	2,990	7,700	3,530
<u>Total Capital Expenditure</u>	4									
Infrastructure - Road transport		2,927	150	–	–	1,000	1,000	4,200	9,500	7,500
Infrastructure - Electricity		416	505	5,191	2,625	10,613	10,613	4,853	4,166	6,000
Infrastructure - Other		1,722	–	1,500	5,175	5,175	5,175	510	1,289	789
Infrastructure		5,065	655	6,691	7,800	16,788	16,788	9,563	14,955	14,289
Community		3,776	6,000	6,657	12,075	10,164	10,164	11,895	9,301	11,146
Heritage assets		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Other assets		9,774	5,948	8,785	3,992	4,585	4,585	2,990	7,700	3,530
TOTAL CAPITAL EXPENDITURE - Asset class	2	18,616	12,603	22,133	23,867	31,536	31,536	24,448	31,955	28,965
Investment properties			304	320	–	280	280	176	180	180
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5		304	320	–	280	280	176	180	180
EXPENDITURE OTHER ITEMS										
<u>Depreciation & asset impairment</u>		2,706	2,943	4,080	3,270	3,270	3,270	4,000	4,512	4,828
<u>Repairs and Maintenance by Asset Class</u>	3	449	644	869	1,317	1,188	1,188	1,522	1,800	1,954
Infrastructure - Road transport		–	–	28	5	5	5	25	30	32
Infrastructure - Electricity		–	–	105	200	200	200	400	350	375
Infrastructure - Water		–	–	–	–	–	–	50	60	80
Infrastructure - Sanitation		–	–	–	–	–	–	–	–	–
Infrastructure - Other		6	200	125	200	121	121	246	282	302
Infrastructure	6,	6	200	257	405	326	326	721	722	788
Other assets	7	443	444	612	862	862	862	701	971	1,052
TOTAL EXPENDITURE OTHER ITEMS		3,155	3,587	4,948	4,587	4,458	4,458	5,522	6,313	6,783
<i>Renewal of Existing Assets as % of total capex</i>		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<i>Renewal of Existing Assets as % of deprechn</i>		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<i>R&M as a % of PPE</i>		0.7%	0.8%	1.0%	1.0%	1.0%	1.0%	1.1%	1.2%	1.1%
<i>Renewal and R&M as a % of PPE</i>		0.0%	212.0%	271.0%	0.0%	424.0%	424.0%	865.0%	1000.0%	1086.0%

Part 2: Supporting documents

FETAKGOMO LOCAL MUNICIPALITY

2.1 Overview of the annual budget process

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition, Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities as set out in section 53 of the Act.

Section 21(1)(b) of the Municipal Finance Management Act (MFMA) (no. 56 of 2003) generally echoes Section 28(1) of the Municipal Systems Act (MSA) (no. 32 of 2000) by prescribing that the Mayor of the Municipality must at least 10 months before the commencement of the financial year, table in the Council a time schedule outlining key deadlines for the preparations, tabling and approval of the annual budget and also the review of the Integrated Development Plan.

The Budget Steering Committee consists of the Municipal Manager and senior officials of the municipality meeting under the chairpersonship of the Mayor.

The primary aim of the budget steering committee is to ensure;

- That the process followed to compile the budget complies with legislation and credible budget practices;
- There is proper alignment between the policy and service delivery priorities set out in the municipality's IDP and the budget, taking into account the need to protect the financial sustainability of municipality.
- That the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available;
- That various spending priorities of the different municipal departments are properly evaluated and prioritised in the allocation of resources.

Preparatory data for 2015/2016 IDP/Budget will be the subject of the next section.

Preparatory phase commenced with the process plan. The table below tells a story of the process plan.

FETAKGOMO LOCAL MUNICIPALITY

Table: IDP/Budget Process for the 2014/2015

Section **21(1)(b)** of the Municipal Finance Management Act (MFMA) (no. 56 of 2003) generally echoes Section **28(1)** of the Municipal Systems Act (MSA) (no. 32 of 2000) by prescribing that the Mayor of the Municipality must at least 10 months before the commencement of the financial year, table in the Council a time schedule outlining key deadlines for the preparations, tabling and approval of the annual budget and also the review of the Integrated Development Plan. Below is the schedule for the IDP/Budget process for the 2015/201 Financial Year (i.e to inform the 3rd amendment of the Five Year IDP/Budget):

MONTH	ACTIVITY	Target date
	PREPARATORY PHASE	
July 2014	<ul style="list-style-type: none"> Review of previous year's IDP/Budget process, MTEF included. EXCO provides political guidance over the budget process and priorities that must inform preparations of the budget. IDP/Budget Steering Committee meeting. Consultation with established Committees and fora 4th Quarter Performance Lekgotla (2013/14) 	July 2014
August 2014	<ul style="list-style-type: none"> Ward-to-Ward based data collection Collate information from ward based data. Submit AFS (Annual Financial Statements) for 2013/14 to AG¹. Submit 2013/14 cumulative Performance Report to AG & Council Structures 	August 2014
MONTH	ACTIVITY	Target date
	ANALYSIS PHASE	
September 2014	<ul style="list-style-type: none"> Council determines strategic objectives for service delivery through IDP review processes and the development of the next 3 year budget (including review of sector departments plans). Determine revenue projections and propose tariffs and draft initial allocations per function and department for 2015/16 financial year. Consult with provincial and national sector departments on sector specific programmes for alignment (schools, libraries, clinics, water, electricity, roads, etc). 	September 2014

¹ Auditor General appointed to audit public entities as required in terms of Public Audit Act.
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	<ul style="list-style-type: none"> Finalize ward based data compilation for verification in December 2014. Update Council structures on updated data. 	
	STRATEGIES PHASE	
October 2014	<ul style="list-style-type: none"> Quarterly (1st) review of 2014/15 budget, related policies, amendments (if necessary), any related consultative process. Begin preliminary preparations on proposed budget for 2015/16 financial year with consideration being given to partial performance of 2014/15. 	October 2014
	PROJECTS PHASE	
November 2014	<ul style="list-style-type: none"> Confirm IDP projects with district and sector departments. Engage with sector departments' strategic sessions to test feasibility of attendance to planned sessions. Review and effect changes on initial IDP draft. 	November 2014
	INTEGRATION PHASE	
December 2014	<ul style="list-style-type: none"> Table Draft 2013/14 Annual Report² to Council Review budget performance and prepare for adjustment Consolidated Analysis Phase in place IDP/Budget Steering Committee meeting IDP Rep Forum 	December 2014
January 2015	<ul style="list-style-type: none"> Table Draft 2015/16 Annual Report to Council. Submit Draft Annual Report to AG, PT³ and COGHSTA⁴. Publish Draft Annual Report in the municipal jurisdiction(website etc). Prepare Oversight Report for the 2013/14 financial year. Mid-Year Performance Lekgotla/Review/Strategic Planning Session, (review of IDP/Budget, related policies and consultative process). 	January 2015
MONTH	ACTIVITY	Target date
February 2015	<ul style="list-style-type: none"> Table Budget Adjustment (if necessary). Submission of Draft IDP/Budget for 2015/16 to Management, relevant stakeholders & structures 	February 2015
March 2015	<ul style="list-style-type: none"> Council considers the 2015/16 Draft IDP/Budget. Publish the 2015/16 Draft IDP/Budget for public comments. 	March 2015

² Overarching institutional performance report prepared for each financial year in terms of s46 of MSA.

³ Provincial Treasury.

⁴ Department of Co-operative Governance Human Settlement and Traditional Affairs.

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	<ul style="list-style-type: none"> • Adoption of Oversight Report for 2013/14. 	
	APPROVAL PHASE	
April 2015	<ul style="list-style-type: none"> • Submit⁵ 2015/16 Draft IDP/Budget to the National Treasury, Provincial Treasury and COGHSTA in both printed & electronic formats. • Consultation with key stakeholders. 	April 2015
May 2015	<ul style="list-style-type: none"> • Submit Final Draft IDP/Budget for 2015/16 with incorporated comments from stakeholders' consultation to Council for approval. • Prepare SDBIP⁶ for 2015/16 f/y. 	May 2015
June 2015	<ul style="list-style-type: none"> • Submission of the SDBIP to the Mayor. • Prepare 2015/16 Performance Agreements of MM, Senior Managers and Middle Managers for 2015/16 performance year. 	June 2015

The budget steering committee is leading the process of IDP budget compilation. Various meetings including a strategic planning session were held to consider budget and IDP proposals. Community members were consulted in the first draft of the IDP analysis phase and second consultation meetings will be held post the adoption of the draft budget.

⁵ From a best practice and corporate governance perspective, the submission of relevant documents to stakeholders is within **five (5) days** of the adoption or on the date on which it was made public, whichever occurs first. For further exposition see s75 of the MFMA read with s21 and s32 of the MSA.

⁶ Developed as an implementation, management and monitoring tool for IDP/Budget and has to be approved by the Mayor within **28 days** after approving IDP/Budget in terms of **s53(c)(iii)** of MFMA.

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2.2 Measurable performance objectives

Fetakgomo Local Municipality's development strategies: meeting the development challenges

The development strategies are the product of the strategic planning session. The actual strategies detailed in tabular perspective below orients towards the achievement of the strategic priorities, objectives and outcomes as flagged supra (in the previous sections of this chapter). They are arranged according to Key Performance Areas (KPAs) / respective output, thereby beginning with spatial rationale – the overarching purpose is to reconfigure the municipal space economy from a spatial perspective.

A comprehensive outline of the projects is contained in IDP section.

KPA 1: SPATIAL RATIONALE (OUTPUT o4)

Strategic Objective: “To promote integrated human settlement and agrarian reform”

Project	Project Programmes /	Performance Indicators	2015/16 Targets	Budget & Targets				Responsible Department
				2015/16	2016/17	2017/18	Overall Total	
FTM/SR 1	Implementation of LUMS/SDF.	# of sessions held with Magoshi on Land Use & spatial planning.	2 workshops with Magoshi	R 20,000	R25 300	R26 565	R 71 865	Development Planning
		Turnaround time in processing land use applications from the date received.	14 days.					
		Turnaround time in approving Building Plans from date submitted.	14days.					
FTM/SR 2	Township Establishment.	# of initiatives (meetings/letters) towards township establishment.	4 initiatives.	R 20,000	R30 000	R40 000	R 90 000	Development Planning / COGHTA
		% Implementation of Court Order in removing unlawful invasion on ptn2.	4 invasions on ptn 2.					

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FTM/SR 3	GIS.	Turnaround time in uploading municipal data (Asset Register/property) on GIS from delivery (completion) date.	7days.	R 80,000	R 90 000	R100 000	R 270 000	Development Planning
		# of initiatives towards Upgrading of the municipal household/erven database onto the GIS	4 initiatives	R 200 000	R 230 000	R 240 000	R 670 000	
Project	Project / Programmes	Performance Indicators	2015/16 Targets	Budget & Targets				Responsible Department
				2015/16	2016/1 7	2017/18	Overall Total	
FTM/SR 4	Geo-graphical names committee support.	# of committee meetings held.	4 GNC meetings.	R100,000	R106 000	R111 300	R317 300	Development Planning
		Implementation of the Local Geographical Names Change Policy	LGNC consultation processes					
FTM/SR 5	Compilation of Supplementary Valuation Report	% in compilation of the Supplementary Valuation Roll	100% completion	R 1000 000	N/A	N/A	N/A	Development Planning
The project (FTM/SR 2) which required Environment impact Assessment (EIA) it was done accordingly.								

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KPA 2: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT (OUTPUT 1 & 7)

Strategic Objective: “To strengthen institutional efficiency and governance”

Project	Project Programmes /	Performance Indicators	Budget & Targets				Overall Budget	Responsible Department
			2015/16 Targets	2015/16	2016/17	2017/18		
FTM/T1	IDP/Budget Review.	Credible IDP/Budget for 2016/17.	Process Plan for 2016/17 IDP/Budget	R110,000	R 116 600	R122 430	R349 030	Development Planning / Budget & Treasury
			Final IDP/Budget for 2016/17 f/y adopted.					
FTM/T2	Implementation of MTAS.	# of reports generated.	4 Reports.	N/A	N/A	N/A	N/A	Corporate Services
FTM/T3	Policies.	# of policies developed.	1 Recruitment and Retention Strategy.	R 350 000	N/A	N/A	N/A	Corporate Services
		# of policies reviewed	7 Policies:					
			*Youth Policy Framework.					
			*HR Policy.					
			* Internship Policy.					
			* Education, Training and Development.					
			* EAP Policy.					
			* Task Job evaluation policy.					
			* Attendance and Punctuality.					
FTM/T 4	Individual PMS.	# of performance agreements developed & signed within legal framework.	5.	N/A	N/A	N/A	N/A	Corporate Services
		# of performance commitments developed.	38.					
		# of Individual Performance	2.					

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		Review.						
Project	Project / Programmes	Performance Indicators	Budget & Targets				Overall Budget	Responsible Department
			2015/16 Targets	2015/16	2016/17	2017/18		
FTM/T5	Traffic Function Implementation.	# of operations mounted.	8 Operations (4 Road Blocks, 4 Road Safety Awareness Campaigns).	N/A	N/A	N/A	N/A	Community Services
		# of performance reports on traffic function (law enforcement and licensing)	4 Report					
FTM/T6	IT Support.	#of reports on consistence IT improved environment.	4 reports on: -Functional Email system.	N/A	N/A	N/A	N/A	Corporate Services
			-Leased IT equipment.					
			-Functional internet.					
		# of ICT Steering Committee Meetings.	4 Meetings.					
		# Of quarterly service provider performance reports.	4 Reports.					
		# of reports on facilities connected.	2 reports.					
			-Mohlaetse Community hall FATSC.					
		# Of reports generated on the Implementation of DRP.	4 reports.					
			-off-site back-up.					
			-hard drives.					
-tapes.								
- Log.								
	-CDs.							
FTM/T7	HR Development.	Completion date in developing 2016/17 WSP	30 th April 2015	R180,000	R 189 000	R 200 340	R 569340	Corporate Services
		# of Training Committee meetings	3 meetings held					
		# of quarterly Training Reports compiled.	4 Reports					
		# of quarterly reports on employee wellness.	4 reports.					

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FTM/T 8	Human Resource Management.	Turn around time in filling vacant posts	90 days	N/A	N/A	N/A	N/A	Corporate Services
		# of HR Policy Briefing Sessions held.	4 sessions.					
FTM/T 9	Employment Equity.	Date of submission of the reviewed EEP	31 st March 2016.	N/A	N/A	N/A	N/A	Corporate Services
		Submission date of EE Report	31 st Janaury 2016.					
Project	Project / Programmes	Performance Indicators	Budget & Targets				Overall Budget	Responsible Department
			2015/16 Targets	2015/16	2016/17	2017/18		
FTM/T1 0	Occupational Health and Safety (OHS).	# of OHS committee	4 meetings held	N/A	N/A	N/A	N/A	Corporate Services
FTM/T1 1	Labour Relations.	# of LLF meetings & compiling reports	12 meetings held.	N/A	N/A	N/A	N/A	Corporate Services
			4 reports generated.					
FTM/T1 2	Skills Programme.	# of Bursary Committee meetings held	4 meetingsn held	R312,000	R336 000	R360 547	R1008 547	Corporate Services
		# of external bursaries offered	Continual Support to 4 all external bursary holders					
		# of internal bursaries offered	Continual Support to all internal busury holders					
		% spent on training EPWP workers	100%	R 187,200	R202 176	R216 328	R605 704	
		% spent on training ward committee members	100%	R190,800	R202 248	R212 360	R605 408	
		# of experiential learners placed	5	R76,320	R80 136	R84 944	R241 400	
		# of Councilors trained	12	R300,000	R318 000	R 333 900	R951900	
		% budget spent in implementing WSP	100%	R100,000	R120 000	R1 28 400	R348 400	
FTM/T1 3	Fleet Management.	# of quarterly reports generated on fleet management services.	4	N/A	N/A	N/A	N/A	Corporate Services

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FTM/T1 4	Facilities.	# of quarterly reports generated on facilities management services.	4	N/A	N/A	N/A	N/A	Corporate Services
FTM/T1 5	Legal services.	% updating of Municipal Code	100%	R700,000	R 735 000	R779 100	R 2214100	Corporate Services
		# of quarterly reports on legal issues	4 Reports					
		Turnaround time in responding to legal issues	21 days					
Project	Project / Programmes	Performance Indicators	Budget & Targets				Overall Budget	Responsible Department
			2015/16 Targets	2015/16	2016/17	2017/18		
FTM/T1 6	Thusong Service Centres	# of quarterly Operational reports	4 reports	N/A	N/A	N/A	N/A	Corporate Services
		# Outreach programs conducted	2 Outreach programs	N/A	N/A	N/A	N/A	Corporate Services
	No projects required EIA.							

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KPA 3: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

Strategic objective: To facilitate for improved service delivery and infrastructural development/investment

Project	Project/Programmes	Performance Indicators	2015/16 Targets	Budget and Targets			Overall Budget	Responsible Department
				2015/16	2016/17	2017/18		
FTM/S D 1	FBE.	# of campaigns held.	12 FBE campaigns.	R 1,800,000	R1 980 000	R2 118 600	R589 8600	Technical Services
		Turnaround time in processing the applications received.	5 working days.					
		Turnaround time in giving prospective beneficiaries feedback on the status of their applications.	60 working days.					
		% of indigent households receiving FBE	86% of indigent households receiving FBE					
FTM/S D2	Nchabeleng and access culverts bridge over Mowetse river	Completion date in constructing Nchabeleng and access culverts bridge over Mowetse river	30 TH June 2016	R12,500,000	N/A	N/A	R12,500,000	Technical Services
FTM/S D3	Construction of Hoeraroep Portion 2 – Internal Street	Completion date in constructing Hoeraroep Portion 2 – Internal Street	30 TH June 2016	R4,750,000	N/A	N/A	R 4,750,000.00	Technical Services
FTM/S D 4	Upgrading of cemeteries	# of cemeteries fenced with palisade and ablution facilities.	06 cemeteries fenced with palisade and ablution facilities by 31 ST March 2016.	R4,750,000	N/A	N/A	R4,750,000	Technical Services
FTM/S D 5	Construction of Traffic Station Testing Route	Completion date in Constructing for Traffic Station Testing Route.	31 ST March 2016.	R1,500,000	N/A	N/A	R2,000,000	Technical Services

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FTM/S D 6	Infrastructure Consultants Fees	Completion date in developing infrastructural designs for 2016/17 Capital projects.	31 ST March 2016	R3,000,000	R4,000,000	R5,000,000	R12,000,000	
FTM/S D 7	Development of Infrastructure Operations and Maintenance Plan	Completion date in developing Infrastructure Operational and Maintenance Plan	31 ST March 2016	R2,000,000	N/A	N/A	R2,000,000	
FTM/S D 8	Municipal Facilities Internal Water Supply	Completion date in installation of Municipal Facilities Internal Water Supply	30 TH November 2015	R1,200,000	N/A	N/A	R1,500,000	
FTM/S D 9	Municipal Enviro-Lo Ablution facilities	Completion date in completing Municipal Enviro-Lo Ablution Facilities	30 TH November 2015	R300,000	N/A	N/A	R300,000	
FTM/S D 10	Supply and Delivery of TLB, Tipper Truck and Waste truck	Delivery date in supply in TLB, Tipper Truck and Waste Truck.	30 TH June 2016	R3,200,000	N/A	N/A	R3,200,000	Technical Services
FTM /SD 11	Maintenance of Completed Infrastructure Projects	# of completed projects maintained.	4 (High mast lights, street lights, Internal water supply & cemeteries)	R800,000	R900,000	R1,000,000	R2,700,000	
FTM/S D 12	Refuse removal.	# of refuse removal related equipments acquired	3 skip bins (Atok, Mohlaletse taxi rank, and Civic centre)	R 1000 000	R 1052 500	R 1089 075	R 3141 575	Community Services
		# of villages serviced	4 villages serviced (Nkoana, Apel, Nchabeleng and Mohlaletse).					
		# of businesses & gov depts serviced	17 Business and government departments *14 Clinics (all). * 4 businesses (Bopedi					

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			shopping complex, sassa, SDM, education and ApelPolice station).					
		# of EPWP performance reports	4 reports					
		# of Landfill site operation and maintenance reports generated	4 reports					
		# of Environmental Awareness Campaign	4					
No projects required EIA. The upgrading of landfill site above is part of a contribution in mitigation of climate change.								

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KPA 4: LOCAL ECONOMIC DEVELOPMENT (OUTPUT 3)

Strategic Objective: “to promote economic development in the Fetakgomo Municipal area”

Project	Project /Programmes	Performance Indicators	Budget and Targets				Overall Budget	Responsible Department
			2015/16Targets	2015/16	2016/17	2017/18		
FTM/LED 1	Local Tourism	#of tourism development initiatives undertaken.	01 accommodation facility graded	R100,000	R 84 000	R 88 200	R 252 200	Development Planning
		# of tourism events participated.	02 Tourism Events participated (Fetakgomo Music & Fashion Show and Durban Tourism Indaba)					
FTM/LED 2	Farmers' Support	# of farming cooperatives supported through Request for Proposals (RFP) process.	03 farmer's cooperatives supported.	R500 000	R 540 000	R 577 800	R 1 617 800	Development Planning
FTM/LED 3	Local Cooperative Support	# of cooperatives supported through Request For Proposal (RFP) processes.	04 Cooperatives Supported (01 per nodal point)	R 400,000	R105 000	R 110 250	R 315 250	Development Planning
FTM/LED 4	Youth Enterprise Support	# of Youth cooperatives supported through Request For Proposal (RFP) processes.	04 Youth Cooperatives Supported (01 per nodal point)	R 300,000	315,000	330,750	R 945 750	Development Planning
FTM/LED 5	Local Business Skills Development	# of business skills development initiatives held	12 trainings/workshops facilitated	R 100 000	N/A	N/A	N/A	Development Planning
FTM/LED 6	Job Opportunities Created	# of job opportunities created through Municipal supported initiatives	2000 Job opportunities created through Municipal supported	N/A	N/A			Development Planning

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			initiatives					
FTM/LED 7	Strategic Partnerships	# of engagements sessions held towards facilitation of partnerships	02 engagement sessions	N/A	N/A	N/A	N/A	Development Planning
		# of Memorandum of Understanding (MoU) signed	01 MoU signed					
FTM/LED 8	LED Strategy Implementation	# of LED For a facilitated	04 LED For a held	R 80 000	R 90 000	R 100 000	R 270 000	Development Planning
		# of Mining Engagements sessions held	04 mining engagement sessions held					
No projects require EIA								

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KPA 5: FINANCIAL VIABILITY (OUTPUT 6)

Strategic Objective: “To improve municipal finance management”

Project	Project Programmes /	Performance Indicators	Budget and Targets				Overall Budget	Responsible Department
			2015/16Targets	2015/16	2016/17	2017/18		
FTM/FV 1	Revenue management	% debt collected from billed revenue.	Rental of facilities 98% (R153400)	N/A	N/A	N/A	N/A	BTO
			Refuse removal 30% (R 102600)					
			Property rates 30%(R 2700 000)					
FTM/FV 2	Asset and inventory management	# of asset maintenance report (monthly reports)	12 reports	R1 430 000	R1 515 800	R 1 591 590	R 4 537 390	BTO
		# of Asset counts conducted.	12					
		Turnaround time in insuring assets	30 days					
		# of inventory reports	12					
		# of inventory count conducted	12					
FTM/FV 3	Budget & financial reporting	# of MFMA compliance reports submitted.	12 Monthly Reports (s71).	N/A	N/A	N/A	N/A	BTO
			4 Quarterly Reports (s52).					
			2 Budget Adjustment Reports (Annual & Technical) (s28).					
			1 Mid-Year Report (s72).					
			12 Bank Reconciliation.					
			12 Petty Cash Reconciliations.					
			12 Debtors and Creditors reconciliations.					
			12 Payroll reconciliations.					
FTM/FV 3	Budget & financial reporting	Submission date of 2015/16 AFS	Timeous submission of AFS.	N/A	N/A	N/A	N/A	BTO

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FTM/FV 4	# of Key SCM implementation	Frequency in updating the database	4 times	N/A	N/A	N/A	N/A	BTO
		Completion date in reviewing Demand Management Plan (DMP)	30 th June 2016 for 2016/17 f/y.					
		# of key SCM reports	4 SCM reports submitted -Deviation Report -Tenders awarded report -Purchase order report - Service providers' performance report					
		# of contract performance reports submitted	4 reports	N/A	N/A	N/A	N/A	BTO
		% bids awarded to SMME's.	80% of bids awarded to SMME's.	N/A	N/A	N/A	N/A	BTO
		% bids awarded to local SMME's	50% of total procurement.to local SMMEs	N/A	N/A	N/A	N/A	BTO
		% tenders above R100 000 submitted to National Treasury	100%	N/A	N/A	N/A	N/A	BTO
		% of construction tenders advertised on the CIDB website	100% construction tenders advertised on the CIDB website	N/A	N/A	N/A	N/A	BTO
FTM/FV 5	Review of finance and policies strategies	# of policies reviewed.	11 policies developed and reviewed.	N/A	N/A	N/A	N/A	BTO
			1. Bad-debts Policy.					
			2. Credit and Debt policy.					
			3. Tariff Policy.					
			4. Property Rates Policy.					
			5. Cash Shortage Policy.					
			6. SCM Policy.					
			7. Asset Management Policy.					
			8. Budget andvirement Policy.					

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			9. Indigent Management Policy.					
			10. Cash and Investment Policy.					
			11. Finance Procedure Manual.					
FTM/FV 6	Expenditure management	Turnaround time for payment of creditors.	Creditors paid within 30 days.	N/A	N/A	N/A	N/A	BTO
FTM/FV 7	Indigent register management	# of FBE & FBRR reports generated.	4 Reports.	N/A	N/A	N/A	N/A	Technical Services
FTM/FV 8	Operation clean audit	# of irregular expenditure reduced.	o irregular expenditure.	N/A	N/A	N/A	N/A	BTO
		# of fruitless & wasteful expenditure.	o fruitless expenditure.					
		# of unauthorized expenditure.	o unauthorized expenditure.					
		# of deviations from SCM processes	o					
		# of material misstatement of AFS.	o					
		# of FTM's employees doing business with FTM reduced.	o					
No projects required EIA.								

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KPA 6: GOOD GOVERNANCE AND PUBLIC PARTICIPATION (OUTPUT 05)

Strategic Objective: To enhance good governance and public participation

Project	Project/Programmes	Performance Indicators	Budget and Targets				Overall Budget	Responsible Department
			2015/16 Targets	2015/16	2016/17	2017/2018		
FTM/GPP 1	Ward Committees' Support	Functionality of Ward Committees	4 reports generated on issues raised and processed	R190 800	R 202 248	R 212 360	R 605 408	Council & Executive Support
			12 ward committee consolidated reports generated					
		1 training	1 ward committee training conducted					
		# of ward committee members participating in the ward committee training	13 ward committee participating in the training					
FTM/GPP2	Special Programmes	# of HIV/AIDS initiatives	4 Initiatives	R 500,000	R 530,000	R 556,500	R 1586 500	Council & Executive Support
		# of LAC ⁷ Reports generated	2 reports					
		# of youth development initiatives	3 initiatives					
		# of disabled people initiatives unfolded	2 initiatives					
		# of children initiatives unfolded	2 initiatives					
		# of gender support programmes initiated	2 initiative					
		# of elderly programmes supported	1 initiative					
		# of initiatives towards Mandela Day	4 initiatives					
		# of Moral Generation initiative	2 initiatives					
FTM/GPP3	Council Event and Public participation	# of EXCO meetings	4 EXCO meetings held	R 237,546	R251 799	R264 389	R753 734	Corporate Services
			All EXCO Resolutions Implemented					
		# of Council Meetings	4 Ordinary council meetings held					

⁷Local Aids Council

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			4 Special Statutory Council meetings					
		# of IDP/Budget public participation sessions held	5 sessions *1 Municipal wide session *4 Sectoral					
FTM/GPP4	Marketing & Publicity	# of News Letters produced.	4 editions of quarterly newsletter	R120,000	R 127 200	R 133 560	R 380 760	Council & Executive Support
		Completion date for Website revamp	Revamped website by 30 th June 2015					
		# of media relations initiatives.	4 initiatives					
		# of Video profiling FTM.	1 complete video profiling the FTM					
		# of quartely service provider performance reports	4 reports					
FTM/GPP 5	Coordination of Sports, Arts & Culture	# of events supported.	4 events	N/A	N/A	N/A	N/A	Community Services
		# of Sports Makgotla.	1 Sports Lekgotla					
		# of sports fields graded	13 sports fields graded					
FTM/GPP 6	Security	# of security related incidents reduced.	0	N/A	N/A	N/A	N/A	Corporate Services
FTM/GPP 7	Corporate Performance Management System (PMS)	# of Performance Makgotla.	3 Performance Makgotla	N/A	N/A	N/A	N/A	Corporate Services
		#. of in- year reports generated.	4 Quarterly reports ^s					
		% completion of the Annual Report in place within stipulated timeframe.	100% completion of the Annual Report 25% Annual performance report -50% (compilation of Draft Annual Report) -75% (Tabling of Draft Annual Report: 31 January 2016) -100% (Oversight Report : 31 March 2016)					
		Completion date in developing 2014/15 SDBIP	2016/17 SDBIP developed in June 2016					

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FTM/GPP 8	Intergovernmental Relations	# of reports generated on support of YAC, CDW & SAWID	4 reports on support for YAC , CDWs & SAWID (office space, transport & printing facilities)	N/A	N/A	N/A	N/A	DVP
		# Of IGR Fora.	1					
FTM/GPP 9	Internal Audit	# of risk based audits conducted	4 risk based audits conducted	R150,000	R159 000	R166 950	R 475 950	M M’s Office
		# of PMS audits conducted	4 PMS audit reports					
		# of follow up audits conducted	2 Internal Audit follow- up Report					
		Completion date in reviewing Internal Audit Plan	Development and Approval of Internal Audit plan for 2015/16					
		Completion date in reviewing Internal Audit Charter Review	Review and Approval of Internal Audit Charter for 2015/16					
		Completion date in reviewing Audit Committee Charter	Review and Approval of Audit Committee Charter for 2015/16					
FTM/GPP 10	External Audit	% of findings & recommendations implemented from 2014/15 audit report	100% implementation of AG Recommendations.	R1,632,400	R 1,730,344	R 1,816,861	R 5179 605	Budget & Treasury
FTM/GPP 11	Support to Oversight Structures (Audit Committee & MPAC)	# of Audit Committee reports submitted to Council.	4 audit committee reports.	400,000				M M’s Office
		# of special audit committee meetings held.	2 special meetings 1 AFS 2 PMS					
		# of MPAC meetings held.	4 meetings					
FTM/GPP 12	Fraud Prevention and Risk Management	# of fraud prevention initiatives.	4 Fraud prevention initiatives.	R100,000	R106 000	R 111 300	R 317 300	MM’s Office
		# of risk management reports.	4 reports.					
		# of policies reviewed.	2 policies reviewed (Anti-Fraud Prevention Strategy and Risk Management Policy)					
		# of Risk Registers developed	Review and development of 02 Risk Registers *Strategic Risk Register *Operational Risk Register					
FTM/GPP 13	Customer Care	Turnaround time for issues reported and addressed.	21 days.	N/A	N/A	N/A	N/A	Corporate Services
			-Community.					
			-Presidential hotline.					
			-Petition Committee.					
			-Public Protector.					
			-Premier’s hotline.					
			-COGHSTA’s hotline.					
			-Compliments & Complaints Register.					
No projects required EIA.								

Draft Annual Budget for 2015/16 Medium Term Revenue Expenditure Framework

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2.3 Overview of budget assumptions

An advice from National Treasury circular 75 was taken into account in preparing the budget. The municipalities revenues will continue to be under pressure owing to a general decline in the world and domestic economy which has put economic pressures on the household and therefore advises municipalities to use a conservative approach when making revenue estimates.

Municipalities must pay special attention to controlling unnecessary spending (cost containment measures) on nice-to-have items and non-essential activities. The following examples of non-priority expenditure have been observed, and need to be eliminated:

- excessive sponsorship of music festivals, beauty pageants and sporting events, including the purchase of tickets to events for councillors and/or officials;
- public relations projects and activities that are not centred on actual service delivery or are not a municipal function (e.g. celebrations; gala dinners; commemorations, advertising and voter education);
- LED projects that serve the narrow interests of only a small number of beneficiaries or fall within the mandates of other government departments such as the Department of Agriculture;
- excessive catering for meetings and other events, including the use of public funds to buy alcoholic beverages;
- arranging workshops and events at expensive private venues, especially ones outside the municipality (as opposed to using the municipality's own venues);
- excessive printing costs (instead of maximising the use of the municipality's website, including providing facilities for the public to access the website);
- excessive luxurious office accommodation and office furnishings;
- foreign travel by mayors, councillors and officials, particularly 'study tours';
- excessive councillor and staff perks such as luxurious mayoral cars and houses, notebooks, IPADS and cell-phone allowances; travel and subsistence allowances (certain of these may be irregular spending – see paragraph 4.8 below);
- excessive staff in the office of the mayor – particularly the appointment of political 'advisors' and 'spokespersons';

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- all donations to individuals that are not made in terms of the municipality's indigent policy or a bursary scheme; for instance donations to cover funeral costs (other than pauper burials which is a district municipality function);
- costs associated with long-standing staff suspensions and the legal costs associated with not following due process when suspending or dismissing staff, as well as payment of severance packages or 'golden handshakes'; and
- Use of consultants to perform routine management tasks, and the payment of excessive fees to consultants.

Principles guiding the budget process

- Ensuring that expenditure is aligned to revenue and that the municipality has sufficient cash to finance the expenditure.
- Ensure that the municipality avoids borrowings due to high dependence on grant revenue
- Ensure that the municipality maintains sufficient reserves for rainy days and capital expansion.
- Ensure that the budget respond to priorities enlisted in the IDP.
- Review of all programmes and cost centres to minimise wastage.
- Reprioritisation of expenditure programmes to curb the growing personnel and operating expenditure.
- Ensure that services are cost reflective, affordable and sustainable.
- Ensure that realistic revenue targets are set based on trends.
- Follow the national guide on salary and CPI projections.

2.4 Overview of budget related-policies

The budget related policies will be circulated for consultation in April. The following are such policies;

A. SUPPLY CHAIN MANAGEMENT POLICY

The supply chain management policy has been reviewed in the second quarter but presented as part of budget related policies

B. ASSET MANAGEMENT POLICY

The asset management policy has been reviewed in the second quarter but presented as part of budget related policies

C. BAD DEBTS WRITE OFF POLICY

This policy is subject to review and is attached as annexure B

D. THE CREDIT CONTROL AND DEBT COLLECTION POLICY.

This policy is subject to review and is attached as annexure B

E. BUDGET MANAGEMENT POLICY AND VIREMENT POLICY

This policy is subject to review and is attached as annexure B

F. CASH MANAGEMENT AND INVESTMENT POLICY

This policy is subject to review and is attached as annexure B

G. TARIFF POLICY

This policy is subject to review and is attached as annexure B

H. INDIGENT MANAGEMENT POLICY

This policy is subject to review and is attached as annexure B

I. PROPERTY RATES POLICY

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This policy is subject to review and is attached as annexure B. Proposal to this policy include the removal of the automatic reduction of R85 000 to all business properties.

J. AUDIT COMMITTEE REMUNARATION FRAMEWORK

This policy is subject to review and is attached as annexure B

All the above policies are available on the municipality's website.

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2.5 Expenditure on grants and reconciliation of unspent funds

LIM474 Fetakgomo - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Annex 4: Statement of Transfers and Grants										
#REF!	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
<u>Operating transfers and grants:</u>	1,3									
National Government:										
Balance unspent at beginning of the year										
Current year receipts		43,698	50,691	57,928	68,362	68,362	68,362	87,995	88,255	86,686
Conditions met - transferred to revenue		43,698	50,691	57,928	68,362	68,362	68,362	87,995	88,255	86,686
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts		–	500							
Conditions met - transferred to revenue		–	500	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts		100	97	86	100	947	947	100	120	128
Conditions met - transferred to revenue		100	97	86	100	947	947	100	120	128
Conditions still to be met - transferred to liabilities										
Total operating transfers and grants revenue		43,798	51,288	58,014	68,462	69,308	69,308	88,095	88,375	86,814
Total operating transfers and grants - CTBM	2	–	–	–	–	–	–	–	–	–
<u>Capital transfers and grants:</u>	1,3									
National Government:										
Balance unspent at beginning of the year			4,748	7,387	9,289	9,289	9,289	2,156	4,156	4,156
Current year receipts		12,138	18,690	19,835	20,352	20,352	20,352	21,004	21,706	22,757
Conditions met - transferred to revenue		12,138	16,051	17,932	20,352	20,352	20,352	21,004	21,706	22,757
Conditions still to be met - transferred to liabilities		(0)	7,387	9,289	9,289	9,289	9,289	2,156	4,156	4,156
Total capital transfers and grants revenue		12,138	16,051	17,932	20,352	20,352	20,352	21,004	21,706	22,757
Total capital transfers and grants - CTBM	2	(0)	7,387	9,289	9,289	9,289	9,289	2,156	4,156	4,156
TOTAL TRANSFERS AND GRANTS REVENUE		55,936	67,340	75,946	88,814	89,661	89,661	109,099	110,081	109,571
TOTAL TRANSFERS AND GRANTS - CTBM		(0)	7,387	9,289	9,289	9,289	9,289	2,156	4,156	4,156

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2.6 Monthly target for revenue, expenditure and cash flow

LIM474 Fetakgomo - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2015/16												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand																
Revenue By Source																
Property rates		643	643	643	643	643	643	643	643	643	643	643	643	7,720	8,029	8,430
Property rates - penalties & collection charges		35	35	35	35	35	35	35	35	35	35	35	35	416	416	416
Service charges - electricity revenue														-	-	-
Service charges - water revenue														-	-	-
Service charges - sanitation revenue														-	-	-
Service charges - refuse revenue		340	340	340	340	340	340	340	340	340	340	340	340	4,082	4,082	4,094
Service charges - other		17	17	17	17	17	17	17	17	17	17	17	17	206	214	224
Rental of facilities and equipment		23	23	23	23	23	23	23	23	23	23	23	23	273	292	312
Interest earned - external investments		103	103	103	103	103	103	103	103	103	103	103	103	1,239	1,244	1,291
Interest earned - outstanding debtors		7	7	7	7	7	7	7	7	7	7	7	7	79	84	90
Dividends received														-	-	-
Fines		50	50	50	50	50	50	50	50	50	50	50	50	600	642	687
Licences and permits		188	188	188	188	188	188	188	188	188	188	188	188	2,250	2,408	2,576
Agency services		29	29	29	29	29	29	29	29	29	29	29	29	346	319	332
Transfers recognised - operational		30,447	2,205			27,717				27,717			8	88,095	88,375	86,814
Other revenue													90	90	92	96
Gains on disposal of PPE													-	-	-	-
Total Revenue (excluding capital transfers and contributions)		31,881	3,640	1,434	1,434	29,151	1,434	1,434	1,434	29,151	1,434	1,434	1,532	105,395	106,197	105,361
Expenditure By Type																
Employee related costs		2,818	2,818	2,818	2,818	2,818	2,818	3,308	3,308	3,308	3,308	3,308	3,308	36,755	38,184	40,392
Remuneration of councillors		652	652	652	652	652	652	800	800	800	800	800	977	8,886	9,330	9,797
Debt impairment		949	949	949	949	949	949	949	949	949	949	949	949	11,387	12,526	13,403
Depreciation & asset impairment		458	458	458	458	458	458	458	458	458	458	458	458	5,500	4,512	4,828
Finance charges		7	7	7	7	7	7	7	7	7	7	7	57	135	143	150
Bulk purchases		300		300		300		300		300		300	-	1,800	1,980	2,119
Other materials													-	-	-	-
Contracted services		280	280	280	280	280	280	280	280	280	280	280	280	3,360	3,528	3,740
Transfers and grants													-	-	-	-
Other expenditure		2,390	2,390	2,390	2,390	2,390	2,390	2,390	2,390	2,390	2,390	2,390	2,390	28,679	29,979	31,763
Loss on disposal of PPE													-	-	-	-
Total Expenditure		7,854	7,554	7,854	7,554	7,854	7,554	8,492	8,192	8,492	8,192	8,492	8,420	96,503	100,182	106,191
Surplus/(Deficit)		24,028	(3,914)	(6,420)	(6,120)	21,298	(6,120)	(7,058)	(6,758)	20,659	(6,758)	(7,058)	(6,887)	8,892	6,015	(830)
Transfers recognised - capital													21,004	21,004	21,706	22,757
Contributions recognised - capital													-	-	-	-
Contributed assets		846	916	1,860	1,645	944	847	1,804	895	675	763	2,164	1,560	14,917	16,561	9,009
Surplus/(Deficit) after capital transfers & contributions		24,874	(2,999)	(4,560)	(4,475)	22,241	(5,273)	(5,254)	(5,863)	21,334	(5,995)	(4,894)	15,677	44,813	44,281	30,936
Taxation													-	-	-	-
Attributable to minorities													-	-	-	-
Share of surplus/ (deficit) of associate													-	-	-	-
Surplus/(Deficit)	1	24,874	(2,999)	(4,560)	(4,475)	22,241	(5,273)	(5,254)	(5,863)	21,334	(5,995)	(4,894)	15,677	44,813	44,281	30,936

FETAKGOMO LOCAL MUNICIPALITY

LIM474 Fetakgomo - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

R thousand	Ref	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue by Vote																
Vote 1 - CORPORATE SERVICES		7,639	872	344	344	6,985	344	344	344	6,985	344	344	5,400	30,286	30,745	30,132
Vote 2 - Executive ECEXUTIVE SUPPORT		4,405	503	198	198	4,028	198	198	198	4,028	198	198	3,114	17,464	17,710	17,337
Vote 3 - MUNICIPAL MANAGERS		1,259	144	57	57	1,151	57	57	57	1,151	57	57	890	4,990	5,060	4,953
Vote 4 - BUDGET & TREASURY OFFICE		5,000	571	225	225	4,572	225	225	225	4,572	225	225	3,534	19,822	20,301	20,750
Vote 5 - COMMUNITY SERVICES		5,272	602	237	237	4,821	237	237	237	4,821	237	237	3,694	20,869	20,259	20,241
Vote 6 - TECHNICAL SERVICES		6,416	732	289	289	5,866	289	289	289	5,866	289	289	4,535	25,435	26,221	27,257
Vote 7 - DEVELOPMENT PLANNING		1,892	216	85	85	1,730	85	85	85	1,730	85	85	480	6,643	6,077	6,384
Total Revenue by Vote		31,881	3,640	1,434	1,434	29,151	1,434	1,434	1,434	29,151	1,434	1,434	21,646	125,509	126,372	127,054
Expenditure by Vote to be appropriated																
Vote 1 - CORPORATE SERVICES		1,668	1,604	1,668	1,604	1,668	1,604	1,804	1,740	1,804	1,740	1,804	1,788	20,497	21,626	22,960
Vote 2 - Executive ECEXUTIVE SUPPORT		1,224	1,177	1,224	1,177	1,224	1,177	1,323	1,276	1,323	1,276	1,323	1,312	15,037	15,967	16,826
Vote 3 - MUNICIPAL MANAGERS		358	344	358	344	358	344	387	373	387	373	387	384	4,398	4,662	4,895
Vote 4 - BUDGET & TREASURY OFFICE		2,307	2,218	2,307	2,218	2,307	2,218	2,494	2,406	2,494	2,406	2,494	2,473	28,342	29,077	30,815
Vote 5 - COMMUNITY SERVICES		1,147	1,104	1,147	1,104	1,147	1,104	1,241	1,197	1,241	1,197	1,241	1,230	14,099	15,129	16,188
Vote 6 - TECHNICAL SERVICES		609	586	609	586	609	586	659	635	659	635	659	653	7,486	7,645	8,123
Vote 7 - DEVELOPMENT PLANNING		541	520	541	520	541	520	585	564	585	564	585	580	6,643	6,077	6,384
Total Expenditure by Vote		7,854	7,554	7,854	7,554	7,854	7,554	8,492	8,192	8,492	8,192	8,492	8,420	96,503	100,182	106,191
Surplus/(Deficit) before assoc.		24,028	(3,914)	(6,420)	(6,120)	21,298	(6,120)	(7,058)	(6,758)	20,659	(6,758)	(7,058)	13,226	29,006	26,189	20,863
Surplus/(Deficit)	1	24,028	(3,914)	(6,420)	(6,120)	21,298	(6,120)	(7,058)	(6,758)	20,659	(6,758)	(7,058)	13,226	29,006	26,189	20,863

FETAKGOMO LOCAL MUNICIPALITY

LIM474 Fetakgomo - Supporting Table SA27 Budgeted monthly revenue and expenditure (standard classification)

Description	Ref	Budget Year 2015/16												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand																
Revenue - Standard																
<i>Governance and administration</i>		18,302	2,089	823	823	16,735	823	823	823	16,735	823	823	12,937	72,561	73,815	73,172
Executive and council		5,663	647	255	255	5,178	255	255	255	5,178	255	255	4,003	22,453	22,769	22,290
Budget and treasury office		5,000	571	225	225	4,572	225	225	225	4,572	225	225	3,534	19,822	20,301	20,750
Corporate services		7,639	872	344	344	6,985	344	344	344	6,985	344	344	5,400	30,286	30,745	30,132
<i>Community and public safety</i>		5,272	602	237	237	4,821	237	237	237	4,821	237	237	3,694	20,869	20,259	20,241
Community and social services		5,272	602	237	237	4,821	237	237	237	4,821	237	237	3,694	20,869	20,259	20,241
Sport and recreation													-	-	-	-
Public safety													-	-	-	-
Housing													-	-	-	-
Health													-	-	-	-
<i>Economic and environmental services</i>		8,307	948	374	374	7,596	374	374	374	7,596	374	374	5,905	32,968	33,829	34,706
Planning and development		8,307	948	374	374	7,596	374	374	374	7,596	374	374	5,905	32,968	33,829	34,706
Road transport													-	-	-	-
Environmental protection													-	-	-	-
<i>Trading services</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Electricity													-	-	-	-
Water													-	-	-	-
Waste water management													-	-	-	-
Waste management													-	-	-	-
<i>Other</i>													-	-	-	-
Total Revenue - Standard		31,881	3,640	1,434	1,434	29,151	1,434	1,434	1,434	29,151	1,434	1,434	22,536	126,398	127,903	128,119
Expenditure - Standard																
<i>Governance and administration</i>		5,557	5,344	5,557	5,344	5,557	5,344	6,008	5,796	6,008	5,796	6,008	5,957	68,275	71,332	75,496
Executive and council		1,582	1,521	1,582	1,521	1,582	1,521	1,710	1,650	1,710	1,650	1,710	1,696	19,436	20,630	21,722
Budget and treasury office		2,307	2,218	2,307	2,218	2,307	2,218	2,494	2,406	2,494	2,406	2,494	2,473	28,342	29,077	30,815
Corporate services		1,668	1,604	1,668	1,604	1,668	1,604	1,804	1,740	1,804	1,740	1,804	1,788	20,497	21,626	22,960
<i>Community and public safety</i>		1,147	1,104	1,147	1,104	1,147	1,104	1,241	1,197	1,241	1,197	1,241	1,230	14,099	15,129	16,188
Community and social services		1,147	1,104	1,147	1,104	1,147	1,104	1,241	1,197	1,241	1,197	1,241	1,230	14,099	15,129	16,188
Sport and recreation													-	-	-	-
Public safety													-	-	-	-
Housing													-	-	-	-
Health													-	-	-	-
<i>Economic and environmental services</i>		1,150	1,106	1,150	1,106	1,150	1,106	1,243	1,199	1,243	1,199	1,243	1,233	14,129	13,722	14,507
Planning and development		1,150	1,106	1,150	1,106	1,150	1,106	1,243	1,199	1,243	1,199	1,243	1,233	14,129	13,722	14,507
Road transport													-	-	-	-
Environmental protection													-	-	-	-
<i>Trading services</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Electricity													-	-	-	-
Water													-	-	-	-
Waste water management													-	-	-	-
Waste management													-	-	-	-
<i>Other</i>													-	-	-	-
Total Expenditure - Standard		7,854	7,554	7,854	7,554	7,854	7,554	8,492	8,192	8,492	8,192	8,492	8,420	96,503	100,182	106,191
Surplus/(Deficit) before assoc.		24,028	(3,914)	(6,420)	(6,120)	21,298	(6,120)	(7,058)	(6,758)	20,659	(6,758)	(7,058)	14,116	29,896	27,720	21,927
Share of surplus/ (deficit) of associate													-	-	-	-
Surplus/(Deficit)	1	24,028	(3,914)	(6,420)	(6,120)	21,298	(6,120)	(7,058)	(6,758)	20,659	(6,758)	(7,058)	14,116	29,896	27,720	21,927

2.7 Legislation compliance status

Compliance with the MFMA implementation requirements have been adhered to through the following activities;

1. In year reporting

Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Mayor (within 10 working days) has progressively improved and includes published performance on the municipality's website.

2. Internship programme

The municipality is participating in the Municipal Internship Programme and has deployed five interns undergoing training in various divisions of the Budget and Treasury Office. A total of five interns has since been appointed full time at the municipality since 2005 when the programme started. All other interns have been appointed by other government department or private business.

3. Budget and Treasury Office

The Budget and Treasury Office has been established in accordance with the MFMA.

4. Audit Committee

An audit committee has been established and is fully functional.

5. Service Delivery and Implementation Plan

The detailed SDBIP document has been draft and will be signed by the Mayor within 10 working days post the adoption of the annual budget. The SDBIP is fully aligned to the IDP and budget.

6. Annual Report

Annual report is compiled in terms of MFMA and National Treasury requirements.

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2.8 Other supporting tables

LIM474 Fetakgomo - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand											
REVENUE ITEMS:											
<u>Property rates</u>	6										
Total Property Rates			879	2,249	4,000	8,000	8,000		9,000	9,900	10,593
<i>less Revenue Foregone</i>											
Net Property Rates		–	879	2,249	4,000	8,000	8,000	–	9,000	9,900	10,593
<u>Service charges - refuse revenue</u>	6										
Total refuse removal revenue			2,141	2,305	5,060	3,360	3,360		3,360	3,696	3,955
Net Service charges - refuse revenue		–	2,141	2,305	5,060	3,360	3,360	–	3,420	3,766	4,030
<u>Other Revenue by source</u>											
VAT REFUNDS		2,091	224	36	7	2,602	2,602		4,005	4,326	4,629
Total 'Other' Revenue	1	2,091	224	36	7	2,602	2,602	–	4,005	4,326	4,629
EXPENDITURE ITEMS:											
<u>Employee related costs</u>											
Basic Salaries and Wages	2	9,837	11,204	15,450	17,107	17,639	17,639		18,871	20,117	21,525
Pension and UIF Contributions		2,684	3,412	3,474	5,298	4,701	4,701		5,082	5,573	5,963
Medical Aid Contributions		1,015	1,561	1,064	1,815	1,792	1,792		2,060	2,232	2,389
Overtime		16	55	246	171	223	223		340	367	393
Performance Bonus		253	433	211	185	185	185		222	240	257
Motor Vehicle Allowance		2,742	3,574	3,202	4,967	3,789	3,789		4,160	4,514	4,830
Cellphone Allowance		151	170	183	295	298	298		276	299	320
Housing Allowances		147	275	45	139	52	52		107	289	310
Other benefits and allowances		2,444	2,519	3,438	2,810	3,041	3,041		3,566	4,039	4,322
sub-total	5	19,288	23,203	27,311	32,786	31,718	31,718	–	34,683	37,672	40,309
Less: Employees costs capitalised to PPE											
Total Employee related costs	1	19,288	23,203	27,311	32,786	31,718	31,718	–	34,683	37,672	40,309
Total Contributions recognised - capital		–	–	–	–	–	–	–	–	–	–
<u>Depreciation & asset impairment</u>											
Depreciation of Property, Plant & Equipment		2,706	2,943	4,080	3,270	3,270	3,270	–	4,000	4,512	4,828
Total Depreciation & asset impairment	1	2,706	2,943	4,080	3,270	3,270	3,270	–	4,000	4,512	4,828
<u>Bulk purchases</u>											
Electricity Bulk Purchases		1,038	1,430	1,291	1,500	1,500	1,500		1,700	1,870	2,001
Water Bulk Purchases											
Total bulk purchases	1	1,038	1,430	1,291	1,500	1,500	1,500	–	1,700	1,870	2,001
Total transfers and grants	1	–	–	–	–	–	–	–	–	–	–
<u>Contracted services</u>											

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<i>List services provided by contract</i>		873	1,901	2,504	3,000	3,000	3,000		3,000	3,240	3,467
sub-total	1	873	1,901	2,504	3,000	3,000	3,000	–	3,000	3,240	3,467
Total contracted services		873	1,901	2,504	3,000	3,000	3,000	–	3,000	3,240	3,467
<u>Other Expenditure By Type</u>	-										
Consultant fees		230	244	895	543	147	147	–	350	578	618
Audit fees		1,270	1,660	1,312	1,500	1,370	1,370	–	1,500	1,988	2,127
General expenses	3	10,192	12,917	14,140	20,766	21,653	21,653	–	23,693	29,361	31,479
<i>List Other Expenditure by Type</i>											
Total 'Other' Expenditure	1	11,691	14,821	16,348	22,809	23,170	23,170	–	25,543	31,927	34,225

Repairs and Maintenance by Expenditure Item	8										
Employee related costs											
Other materials		449	644	869	1,317	1,188	1,188		1,522	1,800	1,954
Total Repairs and Maintenance Expenditure	9	449	644	869	1,317	1,188	1,188	–	1,522	1,800	1,954

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Description	Ref	Vote 1 - CORPORATE SERVICES	Vote 2 - EXECUTIV E & COUNCIL	Vote 3 - MUNICIPA L MANAGE R	Vote 4 - BUDGET & TREASURY	Vote 5 - COMMUNITY SERVICES	Vote 6 - TECHNICAL SERVICES	Vote 7 - DEVELOPM ENT PLANNING	Total
R thousand	1								
<u>Revenue By Source</u>									
Property rates		-	-	-	9,000	-	-	-	9,000
Property rates - penalties & collection charges		-	-	-	22	-	-	-	22
Service charges - refuse revenue		-	-	-	-	3,420	-	-	3,420
Service charges - other		-	-	-	83	90	-	14	187
Rental of facilities and equipment		234	-	-	-	32	-	5	271
Interest earned - external investments		-	-	-	1,550	-	-	-	1,550
Interest earned - outstanding debtors		-	-	-	-	74	-	-	74
Dividends received		-	-	-	-	-	-	-	-
Fines		-	-	-	-	550	-	-	550
Licences and permits		-	-	-	-	2,000	-	-	2,000
Agency services		-	-	-	-	550	-	-	550
Other revenue		-	-	-	4,005	-	-	-	4,005
Transfers recognised - operational		23,003	14,094	3,817	7,726	10,595	3,400	5,726	68,362
Gains on disposal of PPE		-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		23,237	14,094	3,817	22,387	17,311	3,400	5,745	89,992
<u>Expenditure By Type</u>	-								
Employee related costs		8,905	2,555	3,045	6,535	6,203	3,299	4,140	34,683
Remuneration of councillors		-	8,102	-	-	-	-	-	8,102
Debt impairment		-	-	-	8,000	2,352	-	-	10,352
Depreciation & asset impairment		-	-	-	4,000	-	-	-	4,000
Finance charges		-	-	-	-	-	-	-	-
Bulk purchases		-	-	-	-	-	1,700	-	1,700
Other materials		-	-	-	-	-	-	-	-
Contracted services		3,000	-	-	-	-	-	-	3,000
Transfers and grants		-	-	-	-	-	-	-	-
Other expenditure		8,514	3,285	831	6,388	3,935	1,424	1,260	25,636
Loss on disposal of PPE		-	-	-	-	-	-	-	-
Total Expenditure		20,419	13,942	3,876	24,923	12,490	6,423	5,401	87,473
Surplus/(Deficit)		2,818	152	(59)	(2,536)	4,822	(3,023)	344	2,519
Transfers recognised - capital									-
Contributions recognised - capital									-
Contributed assets									-
Surplus/(Deficit) after capital transfers & contributions		2,818	152	(59)	(2,536)	4,822	(3,023)	344	2,519

FETAKGOMO LOCAL MUNICIPALITY

LIM474 Fetakgomo - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'

Description	Ref	2011/12	2012/13	2013/14	Current Year 2013/14				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand											
ASSETS											
<u>Call investment deposits</u>											
Call deposits < 90 days											
Other current investments > 90 days				–	12,630	12,630	12,630		8,630	12,630	11,230
Total Call investment deposits	2	–	–	–	12,630	12,630	12,630	–	8,630	12,630	11,230
<u>Consumer debtors</u>											
Consumer debtors		112	2,084	1,844	6,780	4,810	4,810		3,162	2,653	3,216
Less: Provision for debt impairment					(6,288)		–				
Total Consumer debtors	2	112	2,084	1,844	492	4,810	4,810	–	3,162	2,653	3,216
<u>Property, plant and equipment (PPE)</u>											
PPE at cost/valuation (excl. finance leases)		61,571	83,555	86,165	126,900	116,900	116,900		138,463	154,886	175,232
Leases recognised as PPE	3										
Less: Accumulated depreciation											
Total Property, plant and equipment (PPE)	2	61,571	83,555	86,165	126,900	116,900	116,900	–	138,463	154,886	175,232
LIABILITIES											
<u>Current liabilities - Borrowing</u>											
Current portion of long-term liabilities		140	95	44	386	386	386		110	86	126
Total Current liabilities - Borrowing		140	95	44	386	386	386	–	110	86	126
<u>Trade and other payables</u>											
Trade and other creditors		6,000	6,857	5,479	569	569	569		665	569	715
Unspent conditional transfers		1,002	4,748	7,387	11,230	4,000	4,000		6,326	4,163	3,169
VAT											
Total Trade and other payables	2	7,002	11,605	12,866	11,799	4,569	4,569	–	6,991	4,732	3,884
<u>Non current liabilities - Borrowing</u>											
Borrowing		129	35	11	386	386	386				
Finance leases (including PPP asset element)	4	224	292								
Total Non current liabilities - Borrowing		353	327	11	386	386	386	–	–	–	–
<u>Provisions - non-current</u>											
Refuse landfill site rehabilitation				413	3,532	4,394	4,394		865	1,006	1,463
Other									1,236	2,302	1,863
Total Provisions - non-current		–	–	413	3,532	4,394	4,394	–	2,101	3,308	3,326
CHANGES IN NET ASSETS											
<u>Accumulated Surplus/(Deficit)</u>											
Accumulated Surplus/(Deficit) - opening balance		50,226	78,531	90,644	110,166	102,713	102,713	–	117,931	128,999	151,487
GRAP adjustments											
Restated balance		50,226	78,531	90,644	110,166	102,713	102,713	–	117,931	128,999	151,487
Surplus/(Deficit)		14,925	12,635	9,088	14,119	22,876	22,876	–	23,052	32,951	30,695
Accumulated Surplus/(Deficit)	1	65,152	91,166	99,733	124,285	125,589	125,589	–	140,983	161,950	182,182
<u>Reserves</u>											
TOTAL COMMUNITY WEALTH/EQUITY	2	65,152	91,166	99,733	124,285	125,589	125,589	–	140,983	161,950	182,182

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	Ref	Vote 1 -	Vote 2 -	Vote 3 -	Vote 4 -	Vote 5 -	Vote 6 -	Vote 7 -	Total
R thousand	1	CORPORATE	Executive	MUNICIPAL	BUDGET &	COMMUNITY	TECHNICAL	DEVELOPME	
Revenue By Source									
Property rates					7,720				7,720
Property rates - penalties & collection charges					416				416
Service charges - electricity revenue									-
Service charges - water revenue									-
Service charges - sanitation revenue									-
Service charges - refuse revenue						4,082			4,082
Service charges - other					154	52			206
Rental of facilities and equipment		223				51			273
Interest earned - external investments					1,239				1,239
Interest earned - outstanding debtors						79			79
Dividends received									-
Fines						600			600
Licences and permits						2,250			2,250
Agency services						346			346
Other revenue					80	10			90
Transfers recognised - operational		30,038	17,464	4,990	10,214	13,474	4,432	7,484	88,095
Gains on disposal of PPE									-
Total Revenue (excluding capital transfers and contributions)		30,260	17,464	4,990	19,822	20,943	4,432	7,484	105,395
Expenditure By Type									
Employee related costs		8,403	2,669	3,408	6,688	7,016	3,674	4,898	36,755
Remuneration of councillors			8,886						8,886
Debt impairment					8,800	2,587			11,387
Depreciation & asset impairment					5,500				5,500
Finance charges					135				135
Bulk purchases					-		1,800		1,800
Other materials									-
Contracted services		3,360			-				3,360
Transfers and grants									-
Other expenditure		8,735	3,482	990	7,220	4,496	2,012	1,745	28,679
Loss on disposal of PPE									-
Total Expenditure		20,497	15,037	4,398	28,342	14,099	7,486	6,643	96,503
Surplus/(Deficit)		9,763	2,426	591	(8,520)	6,844	(3,054)	842	8,892
Transfers recognised - capital		-				4,750			4,750
Contributions recognised - capital						-			-
Contributed assets		150				6,196	8,571		14,917
Surplus/(Deficit) after capital transfers & contributions		9,913	2,426	591	(8,520)	17,790	5,516	842	28,559

FETAKGOMO LOCAL MUNICIPALITY

LIM474 Fetakgomo - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	Ref	2011/12	2012/13	2013/14	Current Year 2013/14			2015/16 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2016/18
R thousand												
To promote compatible land use and development	Ensure availability of land			3,274	1,221	3,879	12,638	5,384	5,384	5,401	6,034	6,459
To strengthen institutional efficiency and governance	a synchronised planning and a credible IDP and budget			1,829	2,361	2,860	4,028	17,040	17,040	17,818	19,790	20,780
To create an environment that would stimulate local economic development	Improve local economy			4,016	4,313	4,926	5,676	6,277	6,277	7,477	9,108	9,746
To maximally harness opportunities for revenue generation	Improved revenue base and a reduction of grant dependency			8,516	8,166	13,648	16,322	14,647	14,647	17,446	21,253	22,740
To improve attendance and functionality of good governance systems	adequate institutional systems			20,558	23,660	24,211	19,260	18,945	18,945	20,419	22,054	23,597
To ensure provision of affordable basic services	Timely delivery and reliability and availability of basic services			3,413	11,698	16,300	19,176	17,517	17,517	18,913	20,972	22,467
Allocations to other priorities												
Total Expenditure				41,606	51,417	65,825	77,099	79,810	79,810	87,473	99,210	105,790

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Strategic Objective	Goal	Goal Code	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2014/15 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand												
Poverty reduction	To provide for free basic services			47,813	34,278	47,323	57,379	57,592	57,592	68,362	87,130	88,952
Traffic services	To reduce road fatalities and enforce traffic laws			264	1,858	1,722	3,800	2,750	2,750	3,100	3,500	3,745
Waste Management	Ensure a health living environment			–	2,141	2,305	5,060	3,360	3,360	3,360	3,696	3,955
To maximally harness opportunities for revenue generation	Improved revenue base and a reduction of grant depedency				13,637	8,181	5,937	12,111	12,111	15,170	16,483	17,637
capital pojects	Improve basic infrastructure			8,454	12,138	15,382	19,042	26,873	26,873	20,532	21,351	22,196
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and contributions)			1	56,531	64,052	74,913	91,218	102,686	102,686	110,524	132,160	136,485

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LIM474 Fetakgomo - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2014/15 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand												
Provision of basic infrastructure to improve basic services	Creating conditiions for LED	A		2,927	150			1,000	1,000	4,200	9,500	7,500
Street lighting	Provide street light to all residence	C		416	505	5,191	2,625	10,613	10,613	4,853	4,166	6,000
Waste Management	Ensure a health living environment	E		1,722		1,500	5,175	5,175	5,175	510	1,289	789
Improve community Infrastructure	Provision of stadia, recreational parks, library and improvement of cemtries	G		3,776	6,000	6,657	12,075	10,164	10,164	11,895	9,301	11,146
Improve institutional capacity	Provide administrattive infrastructure to support service delivery	H		9,775	5,948	8,784	3,992	4,585	4,585	2,990	7,700	3,530
Allocations to other priorities			3									
Total Capital Expenditure			1	18,616	12,603	22,132	23,867	31,536	31,536	24,448	31,955	28,965

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LIM474 Fetakgomo - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<u>Borrowing Management</u>											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	-0.3%	0.2%	0.1%	0.4%	0.2%	0.2%	0.0%	0.3%	0.3%	0.3%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	-2.9%	0.9%	1.0%	2.1%	1.0%	1.0%	0.0%	1.1%	1.1%	1.1%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Safety of Capital</u>											
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Liquidity</u>											
Current Ratio	Current assets/current liabilities	1.5	1.7	1.6	1.1	3.6	3.6	–	1.6	2.8	3.1
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	1.5	1.7	1.6	1.1	3.6	3.6	–	1.6	2.8	3.1
Liquidity Ratio	Monetary Assets/Current Liabilities	1.2	1.2	1.2	1.1	2.5	2.5	–	1.1	2.3	2.4
<u>Revenue Management</u>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		87.5%	35.0%	44.8%	41.7%	15.3%	15.3%	0.0%	14.0%	30.0%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		87.5%	35.0%	44.8%	51.2%	15.3%	15.3%	0.0%	14.0%	30.0%	60.0%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	4.7%	9.5%	7.0%	0.7%	6.8%	6.8%	0.0%	3.6%	2.5%	2.9%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
<u>Creditors Management</u>											
Creditors System Efficiency	% of Creditors Paid Within Terms (within 'MFMA' s 65(e))										
Creditors to Cash and Investments		68.7%	48.5%	34.3%	6.3%	7.3%	7.3%	0.0%	8.8%	22.9%	28.1%

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Employee costs	Employee costs/(Total Revenue - capital revenue)	47.1%	43.7%	45.9%	45.4%	41.8%	41.8%	0.0%	38.5%	34.0%	35.3%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	59.9%	60.1%	54.2%	56.5%	50.7%	50.7%		47.5%	41.3%	42.4%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	1.1%	1.2%	1.5%	1.8%	1.6%	1.6%		1.7%	1.6%	1.7%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	6.7%	5.6%	6.9%	4.7%	4.4%	4.4%	0.0%	4.5%	4.2%	4.3%
<u>IDP regulation financial viability indicators</u>	–										
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	3.2	10.7	5.6	16.7	16.7	16.7	–	11.9	12.1	13.0
ii.O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	565.6%	120.9%	77.2%	5.2%	43.3%	43.3%	0.0%	25.0%	19.4%	21.9%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	3.3	4.3	3.7	1.8	1.5	1.5	–	1.3	0.4	0.4

FETAKGOMO LOCAL MUNICIPALITY

LIM474 Fetakgomo - Supporting Table SA9 Social, economic and demographic statistics and assumptions

Description of economic indicator	Ref.	Basis of calculation	1996 Census	2001 Census	2007 Survey	2010/11	2011/12	2012/13	Current Year 2013/14	2013/14 Medium Term Revenue & Expenditure Framework		
						Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome	Outcome
<u>Demographics</u>												
Population		IDP 2011			112	112	112	112	112	112	112	112
Females aged 5 - 14		IDP 2012			15	15	15	15	15	15	15	15
Males aged 5 - 14		IDP 2013			22	22	22	22	22	22	22	22
Females aged 15 - 34		IDP 2014			19	19	19	19	19	19	19	19
Males aged 15 - 34		IDP 2015			2	2	2	2	2	2	2	2
Unemployment					12	12	12	12	12	12	12	12
<u>Monthly household income (no. of households)</u>	1, 12	-										
No income		-							-	-	-	-
R1 - R1 600					92 356	92 356	92 356	92 356	92 356	92 356	92 356	92 356
R1 601 - R3 200					1 685	1 685	1 685	1 685	1 685	1 685	1 685	1 685
R3 201 - R6 400					761	761	761	761	761	761	761	761
R6 401 - R12 800					1 864	1 864	1 864	1 864	1 864	1 864	1 864	1 864
R12 801 - R25 600					588	588	588	588	588	588	588	588
R25 601 - R51 200					167	167	167	167	167	167	167	167
R52 201 - R102 400												
R102 401 - R204 800												
R204 801 - R409 600												
R409 601 - R819 200												
> R819 200												

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LIM474 Fetakgomo Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Funding measures	–	–										
Cash/cash equivalents at the year end - R'000	18(1)b	1	8,739	14,132	15,983	9,064	7,795	7,795	12,436	7,524	2,485	2,545
Cash + investments at the yr end less applications - R'000	18(1)b	2	3,417	3,655	3,943	1,309	9,078	9,078	–	2,232	8,904	9,527
Cash year end/monthly employee/supplier payments	18(1)b	3	3.3	4.3	3.7	1.8	1.5	1.5	–	1.3	0.4	0.4
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	14,925	12,635	9,088	14,119	22,876	22,876	–	23,052	32,951	30,695
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	1955.3%	23.4%	70.7%	20.6%	(6.0%)	(106.0%)	2.7%	3.2%	1.0%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	87.5%	35.0%	44.8%	51.2%	15.3%	15.3%	0.0%	14.0%	30.0%	60.0%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	13.1%	24.0%	133.7%	66.4%	77.7%	77.7%	0.0%	80.2%	80.7%	80.7%
Capital payments % of capital expenditure	18(1)c;19	8	99.5%	90.3%	73.8%	95.8%	65.7%	65.7%	0.0%	95.0%	85.0%	90.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	162.3%	(17.1%)	(88.2%)	948.8%	0.0%	(100.0%)	(37.6%)	(14.8%)	20.6%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	0.7%	0.8%	1.0%	1.0%	1.0%	1.0%	0.0%	1.1%	1.2%	1.1%
Asset renewal % of capital budget	20(1)(vi)	14	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

References

1. Positive cash balances indicative of minimum compliance - subject to 2
2. Deduct cash and investment applications (defined) from cash balances
3. Indicative of sufficient liquidity to meet average monthly operating payments
4. Indicative of funded operational requirements
5. Indicative of adherence to macro-economic targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)
6. Realistic average cash collection forecasts as % of annual billed revenue
7. Realistic average increase in debt impairment (doubtful debt) provision
8. Indicative of planned capital expenditure level & cash payment timing
9. Indicative of compliance with borrowing 'only' for the capital budget - should not exceed 100% unless refinancing
10. Substantiation of National/Province allocations included in budget
11. Indicative of realistic current arrear debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)
12. Indicative of realistic long term arrear debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)
13. Indicative of a credible allowance for repairs & maintenance of assets - functioning assets revenue protection
14. Indicative of a credible allowance for asset renewal (requires analysis of asset renewal projects as % of total capital projects - detailed capital plan) - functioning assets revenue protection

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<u>Supporting indicators</u>	–	–										
% incr <i>total service charges (incl prop rates)</i>	18(1)a		1961.3%	29.4%	76.7%	26.6%	0.0%	(100.0%)	8.7%	9.2%	7.0%	
% incr Property Tax	18(1)a		0.0%	159.0%	70.2%	101.4%	0.0%	(100.0%)	11.4%	10.0%	7.0%	
% incr Service charges - electricity revenue	18(1)a		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
% incr Service charges - water revenue	18(1)a		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
% incr Service charges - sanitation revenue	18(1)a		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
% incr Service charges - refuse revenue	18(1)a		0.0%	7.6%	119.6%	(33.6%)	0.0%	(100.0%)	1.8%	10.1%	7.0%	
% incr in Service charges - other	18(1)a		393.1%	(45.1%)	(81.6%)	67.8%	0.0%	(100.0%)	14.7%	(48.0%)	7.0%	
Total billable revenue	18(1)a	340	4,166	5,407	9,470	11,909	11,909	–	12,901	14,112	15,100	
Service charges		195	4,013	5,194	9,178	11,623	11,623	–	12,630	13,787	14,752	
Property rates		–	912	2,363	4,021	8,100	8,100	–	9,022	9,924	10,618	
Service charges - refuse removal		–	2,141	2,305	5,060	3,360	3,360	–	3,420	3,766	4,030	
Service charges - other		195	960	527	97	163	163	–	187	97	104	
Rental of facilities and equipment		145	153	213	291	286	286	–	271	325	347	
Capital expenditure excluding capital grant funding		1,681	465	4,222	4,825	4,663	4,663	–	3,916	10,604	6,769	
Cash receipts from ratepayers	18(1)a	2,681	2,616	3,634	6,830	2,657	2,657	–	2,812	6,605	14,134	
Ratepayer & Other revenue	18(1)a	3,066	7,469	8,108	13,347	17,331	17,331	–	20,080	22,016	23,557	
Change in consumer debtors (current and non-current)		3,007	3,118	(862)	(3,685)	983	983	(4,177)	2,727	(476)	565	
Operating and Capital Grant Revenue	18(1)a	52,726	55,418	66,075	76,421	84,465	84,465	–	88,894	108,481	111,149	
Capital expenditure - total	20(1)(vi)	18,616	12,603	22,133	23,867	31,536	31,536	–	24,448	31,955	28,965	
Capital expenditure - renewal	20(1)(vi)	–	–	–	–	–	–	–	–	–	–	
<u>Supporting benchmarks</u>												
Growth guideline maximum		6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	
CPI guideline		4.3%	3.9%	4.6%	5.0%	5.0%	5.0%	5.0%	5.4%	5.6%	5.4%	
<u>Trend</u>												
Change in consumer debtors (current and non-current)		3,007	3,118	(862)	(4,177)	2,727	(476)	565	–	–	–	

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Total Operating Revenue			40,978	53,042	59,531	72,176	75,814	75,814	–	89,992	110,809	114,289
Total Operating Expenditure			41,606	51,417	65,825	77,099	79,810	79,810	–	87,473	99,210	105,790
Operating Performance Surplus/(Deficit)			(628)	1,624	(6,294)	(4,923)	(3,997)	(3,997)	–	2,519	11,600	8,499
Cash and Cash Equivalents (30 June 2012)										7,524		
Revenue												
% Increase in Total Operating Revenue				29.4%	12.2%	21.2%	5.0%	0.0%	(100.0%)	18.7%	23.1%	3.1%
% Increase in Property Rates Revenue				0.0%	156.0%	77.8%	100.0%	0.0%	(100.0%)	12.5%	10.0%	7.0%
% Increase in Electricity Revenue				0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% Increase in Property Rates & Services Charges				1961.3%	29.4%	76.7%	26.6%	0.0%	(100.0%)	8.7%	9.2%	7.0%
Expenditure												
% Increase in Total Operating Expenditure				23.6%	28.0%	17.1%	3.5%	0.0%	(100.0%)	9.6%	13.4%	6.6%
% Increase in Employee Costs				20.3%	17.7%	20.0%	(3.3%)	0.0%	(100.0%)	9.3%	8.6%	7.0%
% Increase in Electricity Bulk Purchases				37.8%	(9.8%)	16.2%	0.0%	0.0%	(100.0%)	13.3%	10.0%	7.0%
Average Cost Per Budgeted Employee Position (Remuneration)					379317.5556	372567.5982				381127.2069		
Average Cost Per Councillor (Remuneration)					280452.04	294268.2679				324081.2123		
R&M % of PPE			0.7%	0.8%	1.0%	1.0%	1.0%	1.0%		1.1%	1.2%	1.1%
Asset Renewal and R&M as a % of PPE			0.0%	212.0%	271.0%	0.0%	424.0%	424.0%		865.0%	1000.0%	1086.0%
Debt Impairment % of Total Billable Revenue			13.1%	24.0%	133.7%	66.4%	77.7%	77.7%	0.0%	80.2%	80.7%	80.7%
Capital Revenue												
Internally Funded & Other (R'000)			1,681	465	4,222	4,825	4,663	4,663	–	3,916	10,604	6,769
Borrowing (R'000)			–	–	–	–	–	–	–	–	–	–
Grant Funding and Other (R'000)			16,935	12,138	17,910	19,042	26,873	26,873	–	20,532	21,351	22,196
Internally Generated funds % of Non Grant Funding			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	0.0%	100.0%	100.0%	100.0%
Borrowing % of Non Grant Funding			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grant Funding % of Total Funding			91.0%	96.3%	80.9%	79.8%	85.2%	85.2%	0.0%	84.0%	66.8%	76.6%
Capital Expenditure												
Total Capital Programme (R'000)			18,616	12,603	22,133	23,867	31,536	31,536	–	24,448	31,955	28,965
Asset Renewal			–	–	–	–	–	–	–	–	–	–
Asset Renewal % of Total Capital Expenditure			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Cash												
Cash Receipts % of Rate Payer & Other			87.5%	35.0%	44.8%	51.2%	15.3%	15.3%	0.0%	14.0%	30.0%	60.0%
Cash Coverage Ratio			0	0	0	0	0	0	–	0	0	0
Borrowing												
Credit Rating (2009/10)										0		
Capital Charges to Operating			(0.3%)	0.2%	0.1%	0.4%	0.2%	0.2%	0.0%	0.3%	0.3%	0.3%
Borrowing Receipts % of Capital Expenditure			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

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Reserves												
Surplus/(Deficit)			3,417	3,655	3,943	1,309	9,078	9,078	–	2,232	8,904	9,527
Free Services												
Free Basic Services as a % of Equitable Share			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		0.1%	0.1%	0.1%
Free Services as a % of Operating Revenue (excl operational transfers)			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
High Level Outcome of Funding Compliance												
Total Operating Revenue			40,978	53,042	59,531	72,176	75,814	75,814	–	89,992	110,809	114,289
Total Operating Expenditure			41,606	51,417	65,825	77,099	79,810	79,810	–	87,473	99,210	105,790
Surplus/(Deficit) Budgeted Operating Statement			(628)	1,624	(6,294)	(4,923)	(3,997)	(3,997)	–	2,519	11,600	8,499
Surplus/(Deficit) Considering Reserves and Cash Backing			2,789	5,279	(2,351)	(3,614)	5,081	5,081	–	4,751	20,503	18,026
MTREF Funded (1) / Unfunded (0)	15	1	1	0	0	1	1	1	1	1	1	1
MTREF Funded ✓ / Unfunded ✗	15	✓	✓	✗	✗	✓	✓	✓	✓	✓	✓	✓

FETAKGOMO LOCAL MUNICIPALITY

LIM474 Fetakgomo - Supporting Table SA11 Property rates summary

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Valuation:	1									
Date of valuation:										
Financial year valuation used		2011/12	2011/12	2011/12	2011/12			2011/12		
Municipal by-laws s6 in place? (Y/N)	2	Yes	Yes	Yes	Yes			Yes		
Municipal/assistant valuer appointed? (Y/N)		No	No	No	No			No		
Municipal partnership s38 used? (Y/N)		No	No	No	No	NO	NO	NO		
No. of assistant valuers (FTE)	3	–	–	–	–	–	–	–	–	–
No. of data collectors (FTE)	3	3	3	3	3	3	3	4	4	4
No. of internal valuers (FTE)	3									
No. of external valuers (FTE)	3	1	1	1	1	1	1	1	1	1
No. of additional valuers (FTE)	4									
Valuation appeal board established? (Y/N)		Yes	Yes	Yes	Yes			Yes		
Implementation time of new valuation roll (mths)										
No. of properties	5	947	947	947	947	947	947	947	947	947
No. of sectional title values	5									
Public service infrastructure value (Rm)	5	67	67	67	67	67	67	67	67	67
Municipality owned property value (Rm)		11	11	11	11	11	11	11	11	11
Valuation reductions:										
Valuation reductions-public infrastructure (Rm)		1	1	1	1	1	1	1	1	1
Valuation reductions-R15,000 threshold (Rm)		14	14	14	14	14	14	14	14	14
Valuation reductions-public worship (Rm)		2	2	2	2	2	2	2	2	2
Valuation reductions-other (Rm)		–	–	–	–	–	–	–	–	–
Total valuation reductions:		17	17	17	17	17	17	17	17	17
Rating:										
Residential rate used to determine rate for other categories? (Y/N)										
Differential rates used? (Y/N)	5	No	No	No	No			No		
Limit on annual rate increase (s20)? (Y/N)		Yes	Yes	Yes	Yes			Yes		
Special rating area used? (Y/N)		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Rates policy accompanying budget? (Y/N)		No	No	No	No			No		
Rate revenue expected to collect (R'000)	6	Yes	Yes	Yes	Yes			Yes		
Expected cash collection rate (%)		–	879	2,249	4,000	8,000	8,000	–	9,000	9,900
Special rating areas (R'000)	7	60.0%	60.0%	70.0%	30.0%	20.0%	20.0%	10.0%	30.0%	30.0%
Rebates, exemptions - indigent (R'000)		–	–	–	–	–	–	–	–	–
Total rebates,exemptns,eductns,discs (R'000)		3,462	3,462	3,462	3,462	3,462	3,462	3,462	3,462	3,462

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LIM474 Fetakgomo - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2009/10	2010/11	2011/12	Current Year 2013/14			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2014/15	Budget Year +2 2016/17
R thousand										
<u>Parent municipality</u>										
Securities - National Government Listed Corporate Bonds Deposits - Bank Deposits - Public Investment Commissioners Deposits - Corporation for Public Deposits Bankers Acceptance Certificates Negotiable Certificates of Deposit - Banks Guaranteed Endowment Policies (sinking) Repurchase Agreements - Banks Municipal Bonds		10 734	7 851		8 577	-	-	12 630	9 630	18 900
Municipality sub-total	1	10 734	7 851	-	8 577	-	-	12 630	9 630	18 900
<u>Entities</u>										
Securities - National Government Listed Corporate Bonds Deposits - Bank Deposits - Public Investment Commissioners Deposits - Corporation for Public Deposits Bankers Acceptance Certificates Negotiable Certificates of Deposit - Banks Guaranteed Endowment Policies (sinking) Repurchase Agreements - Banks										
Entities sub-total		-	-	-	-	-	-	-	-	-
Consolidated total:		10 734	7 851	-	8 577	-	-	12 630	9 630	18 900

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LIM474 Fetakgomo - Supporting Table SA13a Service Tariffs by category

Description	Ref	Provide description of tariff structure where appropriate	2010/11	2011/12	2012/13	Current Year 2013/14	2014/15 Medium Term Revenue & Expenditure Framework		Budget Year +2 2016/17
							Budget Year 2014/15	Budget Year +1 2015/16	
<u>Property rates</u> <i>(rate in the Rand)</i>	1								
Residential properties			0.0070	0.0070	0.0070	0.0070	0.0070	0.0070	0.0070
Residential properties - vacant land			-	-	-	-	-	-	-
Formal/informal settlements			-	-	-	-	-	-	-
Small holdings			-	-	-	-	-	-	-
Farm properties - used			-	-	-	-	-	-	-
Farm properties - not used			-	-	-	-	-	-	-
Industrial properties			0.0070	0.0070	0.0070	0.0021	0.0021	0.0021	0.0021
Business and commercial properties			0.0070	0.0070	0.0070	0.0021	0.0021	0.0021	0.0021
Communal land - residential			-	-	-	-	-	-	-
Communal land - small holdings			-	-	-	-	-	-	-
Communal land - farm property			-	-	-	-	-	-	-
Communal land - business and commercial			-	-	-	-	-	-	-
Communal land - other			-	-	-	-	-	-	-
State-owned properties			0.0070	0.0070	0.0070	0.0021	0.0021	0.0021	0.0021
Municipal properties			-	-	-	-	-	-	-
Public service infrastructure			0.0070	0.0070	0.0070	0.0021	0.0021	0.0021	0.0021
Privately owned towns serviced by the owner			-	-	-	-	-	-	-
State trust land			-	-	-	-	-	-	-
Restitution and redistribution properties			-	-	-	-	-	-	-
Protected areas			-	-	-	-	-	-	-
National monuments properties			-	-	-	-	-	-	-
<u>Exemptions, reductions and rebates</u> <i>(Rands)</i>									
<i>Residential properties</i>									
R15 000 threshold rebate			15,000	15,000	15,000	15,000	15,000	15,000	15,000
General residential rebate			-	-	-	-	-	-	-
Indigent rebate or exemption			-	-	-	-	-	-	-
<i>Other rebates or exemptions</i>	2		-	-	-	-	-	-	-

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LIM474 Fetakgomo - Table A1 Consolidated Budget Summary

Description	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousands										
Financial Performance										
Property rates	–	912	2,363	4,021	8,100	8,100	–	9,022	9,924	10,618
Service charges	195	3,101	2,831	5,157	3,523	3,523	–	3,607	3,863	4,134
Investment revenue	724	1,149	729	1,450	890	890	–	1,550	1,663	1,779
Transfers recognised - operational	37,173	44,408	50,693	57,379	57,592	57,592	–	68,362	87,130	88,952
Other own revenue	2,886	3,472	2,914	4,168	5,708	5,708	–	7,451	8,229	8,805
Total Revenue (excluding capital transfers and contributions)	40,978	53,042	59,531	72,176	75,814	75,814	–	89,992	110,809	114,289
Employee costs	19,288	23,203	27,311	32,786	31,718	31,718	–	34,683	37,672	40,309
Remuneration of councillors	5,737	6,097	7,011	7,357	7,807	7,807	–	8,102	8,501	8,669
Depreciation & asset impairment	2,706	2,943	4,080	3,270	3,270	3,270	–	4,000	4,512	4,828
Finance charges	31	23	12	89	89	89	–	93	100	107
Materials and bulk purchases	1,038	1,430	1,291	1,500	1,500	1,500	–	1,700	1,870	2,001
Transfers and grants	–	–	–	–	–	–	–	–	–	–
Other expenditure	12,806	17,722	26,120	32,097	35,426	35,426	–	38,895	46,554	49,876
Total Expenditure	41,606	51,417	65,825	77,099	79,810	79,810	–	87,473	99,210	105,790
Surplus/(Deficit)	(628)	1,624	(6,294)	(4,923)	(3,997)	(3,997)	–	2,519	11,600	8,499
Transfers recognised - capital	15,553	11,010	15,382	19,042	26,873	26,873	–	20,532	21,351	22,196
Contributions recognised - capital & contributed	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	14,925	12,635	9,088	14,119	22,876	22,876	–	23,052	32,951	30,695
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	14,925	12,635	9,088	14,119	22,876	22,876	–	23,052	32,951	30,695
Capital expenditure & funds sources										
Capital expenditure	18,616	12,603	22,133	23,867	31,536	31,536	–	24,448	31,955	28,965
Transfers recognised - capital	16,935	12,138	17,910	19,042	26,873	26,873	–	20,532	21,351	22,196
Public contributions & donations	–	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–	–
Internally generated funds	1,681	465	4,222	4,825	4,663	4,663	–	3,916	10,604	6,769
Total sources of capital funds	18,616	12,603	22,133	23,867	31,536	31,536	–	24,448	31,955	28,965
Financial position										
Total current assets	10,771	19,317	20,425	13,488	18,156	18,156	–	12,159	15,728	14,920
Total non current assets	61,875	83,875	92,849	126,900	117,285	117,285	–	138,639	155,066	175,412
Total current liabilities	7,142	11,700	13,117	12,185	5,072	5,072	–	2,471	3,503	2,643
Total non current liabilities	353	327	424	3,918	4,781	4,781	–	2,101	3,308	3,326
Community wealth/Equity	65,152	91,166	99,733	124,285	125,589	125,589	–	140,983	161,950	182,182
Cash flows										
Net cash from (used) operating	16,091	16,833	18,262	19,287	16,164	16,164	–	23,184	22,399	26,454
Net cash from (used) investing	(18,528)	(11,382)	(16,336)	(24,137)	(20,710)	(20,710)	–	(23,226)	(27,162)	(26,068)
Net cash from (used) financing	141	(58)	(75)	(218)	(95)	(95)	–	(229)	(276)	(326)
Cash/cash equivalents at the year end	8,739	14,132	15,983	9,064	7,795	7,795	12,436	7,524	2,485	2,545
Cash backing/surplus reconciliation										
Cash and investments available	8,739	14,132	15,983	12,856	12,856	12,856	–	8,772	12,813	11,426
Application of cash and investments	5,322	10,477	12,040	11,547	3,778	3,778	–	1,297	1,876	(281)
Balance - surplus (shortfall)	3,417	3,655	3,943	1,309	9,078	9,078	–	7,475	10,937	11,707
Asset management										
Asset register summary (WDV)	#REF!	304	320	–	280	280	176	176	180	180
Depreciation & asset impairment	2,706	2,943	4,080	3,270	3,270	3,270	4,000	4,000	4,512	4,828
Renewal of Existing Assets	–	–	–	–	–	–	–	–	–	–
Repairs and Maintenance	449	644	869	1,317	1,188	1,188	1,522	1,522	1,800	1,954
Free services										
Cost of Free Basic Services provided	–	–	–	–	–	–	91	91	98	104
Revenue cost of free services provided	–	–	–	–	–	–	–	–	–	–
Households below minimum service level										
Water:	–	–	–	–	–	–	–	–	–	–
Sanitation/sew erage:	–	–	–	–	–	–	–	–	–	–
Energy :	–	–	–	–	–	–	–	–	–	–
Refuse:	–	–	–	28	28	28	28	28	28	28

FETAKGOMO LOCAL MUNICIPALITY

LIM474 Fetakgomo - Supporting Table SA18 Transfers and grant receipts										
	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		42,852	49,427	57,213	68,326	68,326	68,326	87,995	88,255	86,686
Local Government Equitable Share		40,562	46,115	52,946	63,620	63,620	63,620	83,160	84,331	82,555
Finance Management		1,500	1,500	1,650	1,800	1,800	1,800	1,800	1,825	1,900
Municipal Systems Improvement		790	800	890	934	934	934	930	957	1,033
EPWP Incentive			1,012	1,000	1,052	1,052	1,052	1,000		
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
MIG-Operating				727	920	920	920	1,105	1,142	1,198
Provincial Government:		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
District Municipality:		-	500	-	-	-	-	-	-	-
Ward committee		-	500	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Other grant providers:		100	97	86	100	947	947	100	120	128
LG-Seta grant		100	97	86	100	100	100	100	120	128
Bokoni mine		-	-	-	-	847	847	-	-	-
Total Operating Transfers and Grants	5	42,952	50,024	57,298	68,426	69,273	69,273	88,095	88,375	86,814
Capital Transfers and Grants										
National Government:		15,356	15,382	17,206	20,532	29,032	29,032	21,004	21,706	22,757
Municipal Infrastructure Grant (MIG)		15,356	15,382	17,206	20,532	29,032	29,032	21,004	21,706	22,757
Provincial Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Ward committee		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
LG-Seta grant		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	15,356	15,382	17,206	20,532	29,032	29,032	21,004	21,706	22,757
TOTAL RECEIPTS OF TRANSFERS & GRANTS		58,308	65,406	74,504	88,958	98,305	98,305	109,099	110,081	109,571